

Arkansas Employment First Task Force



Final Report

December 2011

Executive Summary

Arkansas has a high rate of disability among working-age individuals, with 16.1 percent reporting a condition that affects daily life, and 10.2 percent receiving disability benefits from the Social Security Administration. In December 2010, more than 180,000 Arkansans aged 18-64 received disability benefits from SSA – nearly as many people as the population of Little Rock.

After the Governor signed Executive Order 10-17, the Department of Human Services convened the Employment First Task Force to plan implementation of the order. The Task Force was comprised of representatives from State agencies, provider associations, and advocacy groups. The Task Force held ten meetings, and its four work groups met approximately six times each.

Task Force members developed 30 recommendations for submission to the Governor, focusing their attention on the difficult problem of increasing employment of Arkansans receiving disability benefits and others with significant disabilities requiring special services. Most recommendations involve modifying existing programs to increase emphasis on employment and improve access to information. In many cases the affected agencies were part of the Task Force and the recommendations reflect their agreement to implement the changes. Other recommendations involve changes which will require further evaluation by agencies. For proposals that require funding, agencies are either exploring funding sources such as grants or planning to evaluate the fiscal impact of proposed changes.

Proposed strategies

The recommendations are grouped into seven strategies for encouraging employment and removing barriers within State agency programs:

- Inform Arkansans with disabilities about employment options;
- Develop effective techniques for informing youth with disabilities and their parents about employment;
- Remove barriers to employment within Medicaid;
- Increase the effectiveness of employment services for disability beneficiaries;
- Measure and report the employment rate of Arkansas disability beneficiaries and outcomes of efforts to increase employment;
- Revise State agency procedures to increase hiring and retention of Arkansans with disabilities; and

- Continue collaboration and coordination between State agencies.

Priorities for 2012

Of the 30 recommendations made by the Task Force, six were selected as priorities for the coming calendar year:

- Develop online training modules on disability employment to efficiently train large numbers of State and provider agency staff who work with individuals with disabilities. The training modules will be developed in-house by the EmployAbility Project in collaboration with other agencies.
- Launch a joint outreach and marketing campaign, described below, to raise awareness of opportunities to work. This effort was launched with federal grant funds and hopefully will be sustained by participating agencies.
- Identify funding to continue the Employment Sources Hotline, which helps about 1,500 individuals a year who want to work. The Hotline has been funded by the federal grant, but alternate funding is needed to sustain operations, at a cost of about \$100,000 per year.
- Increase the emphasis on employment in Medicaid home and community services programs to enable more individuals with significant disabilities to get jobs.
- Continue interagency collaboration, including outreach and marketing, training, coordination of services, and reporting outcomes.
- Explore strategies for sustaining the EmployAbility Project, which provides policy analysis, coordination, training and technical assistance. The project's federal funding will run out next year.

Work With Me Outreach and Marketing Campaign

Task Force members plan to collaborate on a joint outreach and marketing campaign with the theme *Work With Me*, which complements plans to use success stories and testimonials. The goal is to send a simple, clear, consistent message to Arkansans with disabilities:

- Many Arkansans with disabilities are successfully employed, and employment has improved their lives.
- Social Security, SSI, and Medicaid have work incentives that typically enable beneficiaries to work and keep vital benefits.
- If you want to work, there are services and supports available.
- Call the Employment Hotline for more information.

Tentative campaign plans include:

- Limited advertising to launch the campaign;
- Public relations – news stories, newsletter articles, events, etc.;
- Use of web pages and social media to disseminate information and success stories; and
- Outreach and education materials, to be distributed by participating State agencies and stakeholder groups.

State Agency Plans

The Executive Order instructs State agencies to submit plans to implement Section 2 of the Executive Order, by increasing emphasis on employment within State program and services for people with disabilities. Plans from a number of agencies are attached as Appendix 1.

Conclusion

In 2010, 10.2 percent of working-age Arkansans received Social Security and/or SSI disability benefits, continuing the steady increase that began long before the recession. Nationally, less than 1 percent of persons receiving disability benefits ever leave the disability rolls. Implementation of health care reform may help reduce the growth by enabling individuals with chronic conditions to get affordable health insurance coverage and continue working. However, revising State-level policies and procedures to encourage employment is critical to helping people with disabilities become more self-sufficient and reversing the trend of growing dependence on benefits.

The changes proposed by the Task Force should help increase employment of disability beneficiaries, especially part-time employment to supplement disability benefits.

However, it will be difficult to get significant numbers of beneficiaries to give up cash benefits for full-time employment without major federal reforms of the Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) programs, plus an improvement in the employment situation.

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Introduction

Arkansas has one of the highest rates of disability in the nation. At the end of 2010, one out of ten working-age Arkansans received Social Security (SSDI) and/or Supplemental Security Income (SSI) disability benefits from the federal government. This has been a long-term trend rather than a result of the recession, and the growth has been steadily upward. Increased rates of disability have an impact on the State as well as the federal government, because the State provides a wide range of services, including Medicaid, disability services, education, vocational rehabilitation, and workforce services.

Surveys have found that a significant share of disability beneficiaries want to work -- to escape from poverty, be more active, feel productive, and contribute to society. Many have the ability to work at least part-time in real jobs, despite genuine and significant disabilities. However, they face many barriers, including the fear of losing their safety nets of public benefits, such as Social Security and SSI disability benefits, Medicare and Medicaid, nutrition assistance (SNAP), housing subsidies, etc.

Congress has changed laws so disability beneficiaries can typically work either part-time or full-time without losing key federally-mandated benefits. In addition, State agencies operate a number of programs to encourage and support employment. However, there is very low awareness of these opportunities, and many barriers remain, even within public agencies and programs. In some cases a part-time job can cause the loss of benefits that equal or exceed the value of a disability beneficiary's paychecks.

A coordinated effort by the State is needed to reduce dependence on public benefits and increase economic opportunities for Arkansans with disabilities, including those with significant disabilities.

In October 2010, Governor Beebe signed Executive Order 10-17, calling on State agencies to take action to increase employment of Arkansans with disabilities:

Executive Order: Establishing the Arkansas Employment First Initiative to increase employment of Arkansans with disabilities

WHEREAS: Arkansans with disabilities represent a significant percentage of the State's overall population and experience disproportionately high levels of unemployment and dependence upon public assistance and benefits; and

WHEREAS: Arkansas with disabilities, who wish to work and become more self-sufficient, should be supported and encouraged by State government agencies to find employment in the competitive job market; such employment furthers the important public-policy objective of advancing individual well-being and reducing the demand on public resources; and

WHEREAS: State government should do all that it can to demonstrate leadership in facilitating the availability of employment for our disabled citizens, including Arkansas with the most significant disabilities.

NOW, THEREFORE, I, MIKE BEEBE, Governor of the State of Arkansas, acting under the authority vested in me as Governor, do hereby order as follows:

SECTION 1: State agencies are hereby directed to coordinate their efforts to increase employment of Arkansans with disabilities. To that end, the Arkansas Department of Human Services shall convene an Employment First Task Force which shall include representation of and input from agencies administering disability services, vocational rehabilitation, workforce and education agencies, consumer advocates and disability service providers. The Task Force shall:

- A. Develop a staff training curriculum on disability employment for use by State agencies and provider agencies, in order to raise awareness of Social Security work incentives, the Ticket to Work program, and employment and navigation services for individuals with disabilities who want to work;*
- B. Identify State-agency policies and procedures that create barriers and disincentives for employment of the disabled, and develop recommendations to reduce barriers and better meet the needs of individuals who desire employment;*
- C. Identify baseline data for measuring employment of Arkansans with disabilities, and create a mechanism for reporting such data to the Governor on an annual basis; and*
- D. Submit a final report of recommendations to the Governor by October 31, 2011.*

State agencies, whose missions include service to individuals with disabilities, shall develop and implement Employment First policies and procedures that prioritize employment as the preferred service option for individuals with disabilities by:

- A. Reviewing and, if necessary, revising forms and procedures to ensure that employment is discussed as a preferred option in service-planning meetings with youth and working-age adults;*
- B. Developing and implementing procedures to ensure that individuals who express an interest in employment are referred for counseling about disability work incentives and other employment services;*

- C. *Increasing the availability and use of supported employment through interagency collaboration and reallocation of funds, to better meet the needs of individuals with the most significant disabilities, such as developmental disabilities, chronic mental illnesses, and traumatic brain injuries; and*
- D. *Submitting timelines for implementing changes and goals for increasing employment of Arkansans with disabilities.*

SECTION 3. The Department of Human Services and other State agencies shall fund and support the activities embraced in this Order with existing and available State and federal appropriations and grant funds, to the extent feasible and as permitted by law, particularly those funding sources dedicated to assisting and otherwise meeting the needs of citizens with disabilities.

IN WITNESS WHEREOF, I have hereunto set my hand and cause the Great Seal of the State of Arkansas to be affixed at the Capitol in Little Rock on the 21st day of October, in the Year of our Lord 2010.

/S/ Mike Beebe

What is Employment First?

Employment First is a philosophy that originally developed among advocates for persons with developmental disabilities. These advocates observed that most individuals would like to work and earn money, are capable of working in real jobs, and should be encouraged to work as the first option rather than steered into day treatment programs and sheltered workshops. A number of State developmental disabilities agencies have incorporated this philosophy into their policies and funding priorities. Several States, including Arkansas, have adopted employment first policy statements that apply to State programs to serve all forms of disability.

How does Arkansas define Employment First?

The Task Force adopted this definition on August 29, 2011:

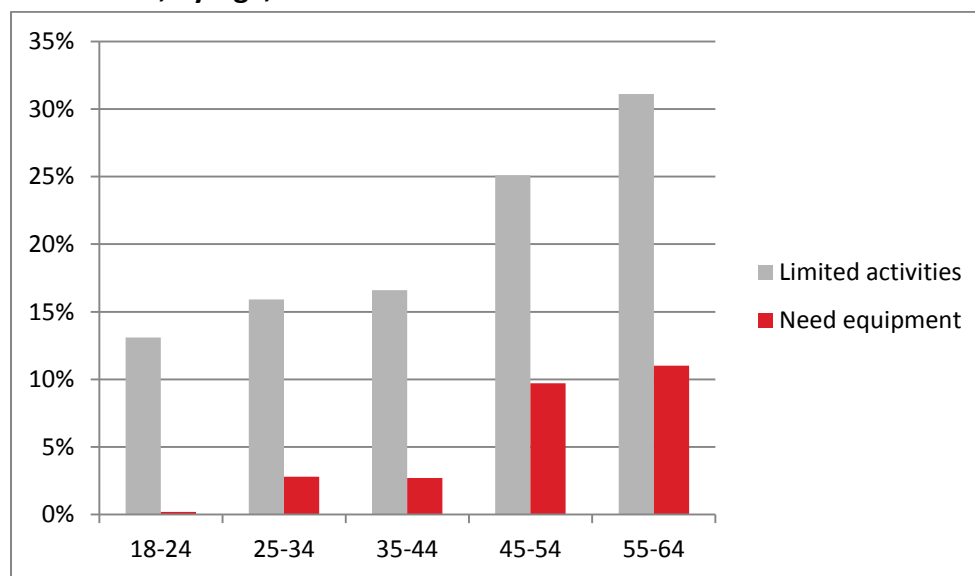
Employment First means employment in the workforce at livable wages and benefits is the first and preferred option in the provision of publicly funded services for all working age Arkansans with disabilities, regardless of level of disability.

Background: Challenges and Opportunities Facing Arkansas

Arkansans with disabilities make up a significant portion of the state's population: 274,000 working-age Arkansans (18-64) report having some type of disability that significantly affects daily living, or about 16 percent of working-age Arkansans.

The likelihood of disability increases with age. In 2009, 11 percent of Arkansans aged 55-64, and 9.7 percent of those aged 45-54, reported having a health problem that required them to use special equipment, such as a cane, wheelchair, special bed, or special telephone. By comparison, only 2.7 percent of 35-44 year-olds and 2.8 percent of 25-34 year-olds reported needing special equipment.

Disability in Arkansas, by Age, 2009



Source: Centers for Disease Control and Prevention (CDC). Behavioral Risk Factor Surveillance System Survey Data, 2009.

Many people with disabilities who want to work cannot find employment. The Bureau of Labor Statistics reports that the unemployment rate among people with disabilities was 14.8 percent in 2010, compared to 9.4 percent in the general population. The percentage of individuals with disabilities who would like to work but do not have jobs is undoubtedly much higher than the unemployment rate, because an individual has to be actively looking for work to be classified as “unemployed.” The difficulties that people with disabilities have in finding jobs may contribute to the large numbers of individuals receiving Social Security and SSI disability benefits.

One in Ten Arkansans Receive Social Security and/or SSI Disability Benefits

In December 2010, one in ten working-age Arkansans (10.2 percent in the 18-64 age group) received some type of Social Security disability benefits, either Social Security Disability Insurance (SSDI) for former workers and disabled dependents of workers, and/or the Supplemental Security Income (SSI) program for very low-income individuals.

Arkansas had the third highest percentage of working-age population receiving disability benefits in 2010, tied with Alabama and Mississippi behind West Virginia and Kentucky.¹ The total number of working-age Arkansans receiving disability benefit – 181,454 – is about equal to Little Rock’s population in 2000.

The map on the next page shows the percentage of each county’s working-age population who receive Social Security Disability benefits based on their own work record (“Disabled Workers”). Every county in Arkansas is above the national average, and a number of rural counties have over 10 percent, without including disabled dependents on SSDI, or disabled SSI recipients.

The high rate of dependence on disability benefits did not begin with the recession, but reflects a long-term trend. The percentage of working-age Arkansans receiving disability benefits increased by 24 percent in just five years, from 8.3 percent in 2004, to 9.9 percent in 2009.² The 10.2 percent figure does not include youth under 18 or persons 65 and older with disabilities, nor does it include people with disabilities who are not receiving Federal disability benefits.

Why do so many Arkansans receive disability benefits?

The growth in the number of disability beneficiaries is a national trend that began in the 1980s. Researchers cite these factors in explaining the growth of the program over the past 25+ years (Autor and Duggan, 2003, 2006):

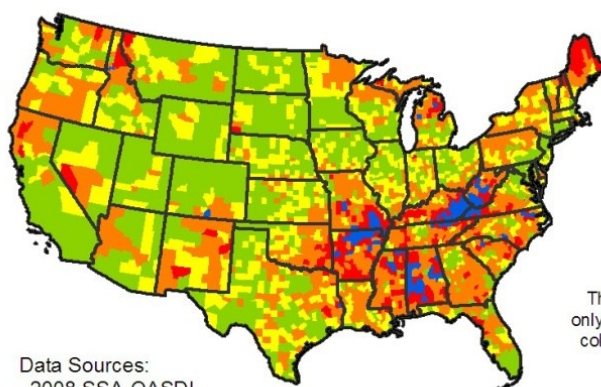
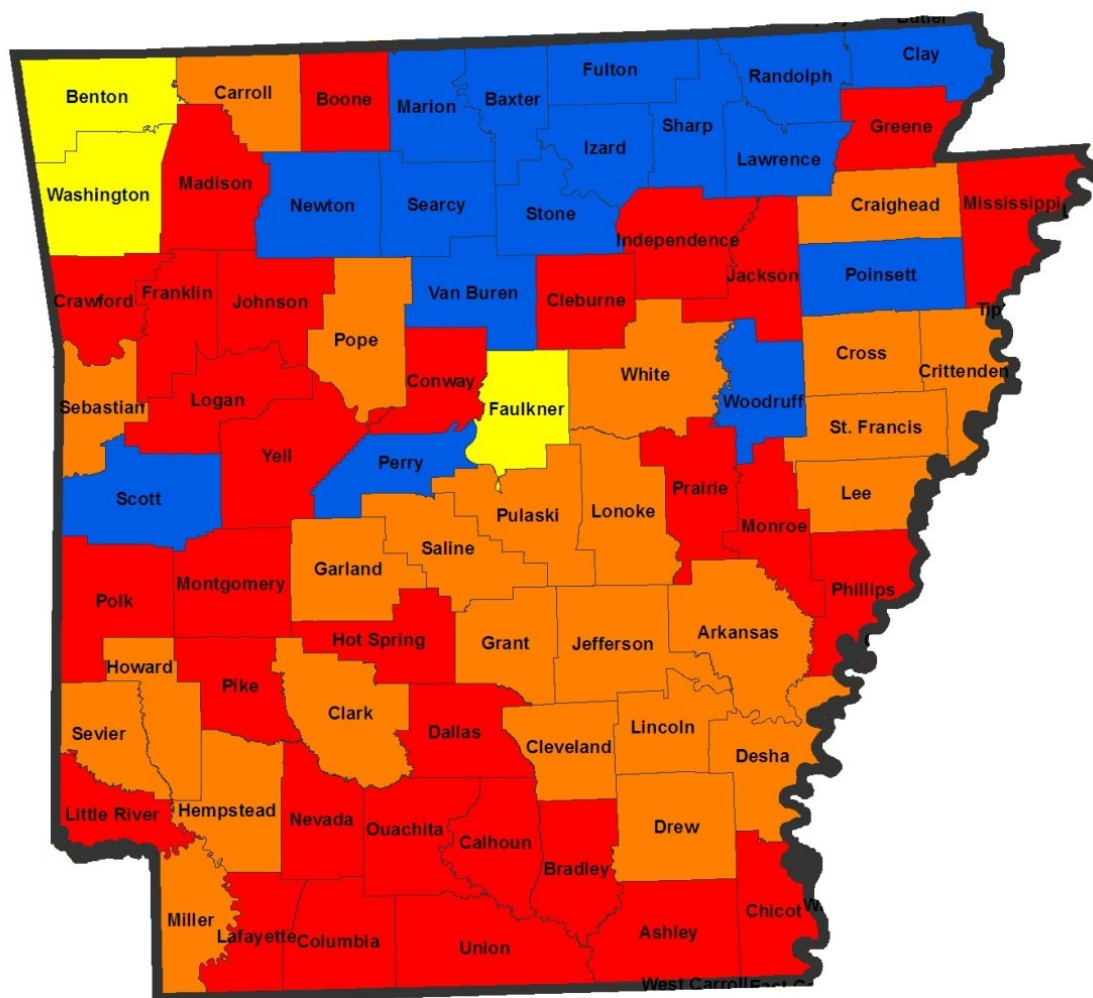
- In 1984, Congress passed legislation which allowed more applicants with non-life-threatening conditions, such as back pain and mental illnesses, to qualify for benefits. These changes increased the number of disability beneficiaries, and shifted the composition of the program by increasing the number of younger beneficiaries with lower mortality rates, who have longer duration on the program.

¹ SSDI Statistical Report, 2009, Table 67.

² SSDI Statistical Report, 2009, Table 67.

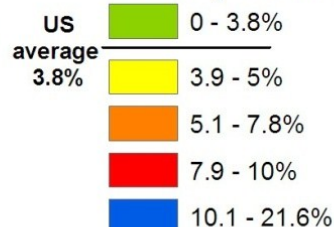
Arkansas

SSDI Disabled Workers (2008) as a percentage of the Population Age 18 to 64



Data Sources:
2008 SSA-OASDI
2008 US Census County Population Estimates

SSDI by County



The SSA "Disabled Worker" category includes only individuals under full retirement age* who are collecting SSDI based on their own work history; spouses, children, and disabled adult children are not included.

FRA is above age 65 for those born after 1937.

SSDI by State



Arkansas = 7.0%

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- An increase in the ratio of disability benefits to former employment earnings increased the incentive to seek benefits, especially for very low-wage workers. For very low-wage earners, the benefits are equal to 90 percent of their previous average wages. In addition to the value of the cash benefits, the value of Medicare health coverage has increased over time, making disability benefits more attractive.
- The increasing number of women in the workforce expanded the pool of potential applicants who were insured for Social Security Disability Insurance.
- The declining demand for low-skilled workers also contributed to growth of the program. In 1999, a 40-54 year old high school dropout was four to five times more likely to receive disability benefits than a male of the same age with at least a high school degree.

The researchers found that the aging of the Baby Boom generation had little impact on the growth of the program through 2005. The table below shows the disparity in educational attainment between Arkansans with disabilities and those without disabilities.

Education Attainment by Disability Status in Arkansas, 2009

	21-64	
Educational Attainment	Persons with a disability	Persons without a disability
Less than a HS education	27.3%	11.5%
HS diploma or equivalent	38.1%	33.3%
Some college/associates degree	27.3%	33.5%
BA degree or higher	7.3%	21.7%
	100.0%	100.0%

Source: Cornell University Employment and Disability Institute

Special Populations of Individuals with Disabilities

Certain segments of the disability population deserve special attention, due to their size, or the resources used to meet their needs.

Older Workers

As people age they often acquire chronic diseases and physical impairments that limit ability to work. This may make it difficult to perform work tasks, especially if their jobs require physical exertion. Some may quit working due to physical demands, while others may be laid off or terminated and unable to find another job. These individuals may reluctantly apply for disability to have income and health care. Often they face a lengthy application and appeal process before qualifying for benefits. They may face an additional wait for Medicare coverage, which begins 29 months after the onset of disability, as determined by SSA.

Nationally, 79 percent of Social Security Disability beneficiaries are aged 45 and older. For some, applying for Social Security Disability benefits seems to be a form of early retirement, induced by impairments that make it hard to earn a living, often accompanied by low educational attainment that makes it difficult to find a sedentary job – or any job at all. Many individuals file for both early retirement benefits and SSDI at the same time, because if they qualify as disabled they can receive full benefits, rather than reduced benefits available to those below the full retirement age, which is now 66.

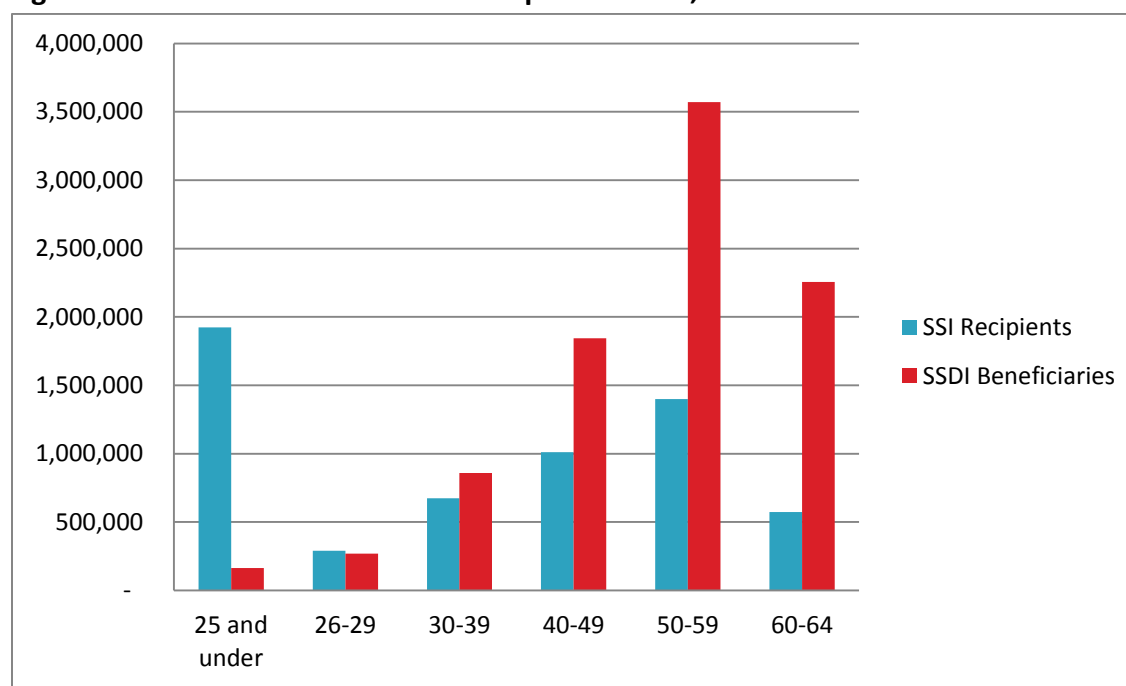
The chart below illustrates the age distribution of SSDI and SSI using national figures. SSDI is heavily weighted towards the older age groups, because people become entitled to SSDI by working and accumulating work credits. In contrast, the SSI program includes large numbers of children, youth, and young adults, because individuals can qualify based on disability and poverty, without having a work history.

Children and Youth

Social Security Administration (SSA) figures show rapid growth in the number of children receiving SSI disability benefits. In 2009, 66 percent of children awarded benefits qualified based on “mental disorders.” Of those with mental disorders, about one-out-of-four have intellectual disabilities such as Down syndrome, while three-out-of-four qualify based on “other mental disorders,” including various behavioral, learning, and psychiatric diagnoses (see table below).

A recent series of articles in the *Boston Globe* describes SSI for children as “the other welfare,” and reports that some low-income parents in Massachusetts may seek to have their children

Age Distribution of SSDI and SSI Participants in U.S., December 2010



medicated for ADHD to improve their chances of qualifying for benefits. This may sound familiar to Arkansans who remember former U.S. Rep. Blanche Lincoln’s hearing in the mid-1990s on allegations that some parents coached their children to qualify for SSI “crazy checks.”

The welfare reform law enacted in 1996 temporarily reduced SSI enrollment of children, and set a higher standard for qualifying. Nevertheless, the number of children qualifying for SSI nationally due to “other mental disorders” has more than tripled since 1997, climbing from 180,000 in 2007, to 639,000 in 2009.

In 2009, Arkansas had 25,141 children under age 18 receiving SSI disability benefits, or 3.37 percent of the children in the State, as shown in the table below. In Arkansas, 57 percent of children on SSI qualified based on behavioral, learning and mental disabilities. New SSI disability applications were filed for 12,357 Arkansas children in 2009.

The upward trend in SSI enrollment among children is disturbing for several reasons, including the likelihood that many youth on SSI will not successfully transition to employment, possibly resulting in life-long dependence on disability.

Many low-income disability beneficiaries rely on multiple public programs, including subsidized housing, SNAP (food stamps), etc. If youth who could have worked instead remain on disability benefits throughout their lives, the fiscal impact is compounded. There is also a serious social

cost if youth people are trapped in poverty and discouraged from reaching their potential, especially if those with limited impairments.

Children Receiving SSI Benefits in Arkansas and the U.S., 2009		
Children Receiving Benefits	Arkansas	U.S.
Total children receiving SSI benefits	25,141	1,199,788
Percentage of all children receiving SSI benefits	3.37%	1.53%
Children receiving SSI due to mental disabilities		
Intellectual disabilities (mental retardation)	5,097	151,985
Intellectual disabilities as a % of total SSI children	20.2%	12.7%
Other mental disorders	14,407	639,325
Other mental disorders as % of total SSI children	57.2%	53.3%
Leading diagnoses within Other Mental Disorders category		
ADHD	3,815	199,904
Speech/language delays	5,164	83,824
Autism spectrum disorders	926	83,824
Affective/mood disorders	1,156	40,509
Learning disorders	509	39,868

Source: *Boston Globe*; *SSI Annual Statistical Report, 2009*

Most of the children qualifying for SSI in Arkansas have conditions that are not considered disabilities for adults. Nationally about 40 percent of teens on SSI are disqualified at age 18 because they do not meet the stricter adult disability standards, according to SSA. For youth who qualified due to Other Mental Disorders—like a majority of Arkansas children and youth—two-thirds are denied adult SSI benefits at age 18.

If these youth have not prepared for employment, they are likely to struggle as adults. The growing perception that low-income parents are abusing the system could result in a backlash, as in the mid-1990s.

Working serves as a major milestone for adolescents. Jobs provide an opportunity for teens to earn their own money, including saving for college, a car, etc. Part-time and summer jobs also encourage youth to think of themselves as workers, and become familiar with the expectations of employers.

Unfortunately, some Arkansas parents may be discouraging their children from doing well in school or preparing for employment, according to reports from high school special education teachers. Some parents may want to shield children with significant impairments or fragile

health from losing their vital safety net of benefits, while others may see employment as a threat to their family's income.

Employment experiences during teen years are a normal and important part of growing up and gaining work experience. Social Security reports that fewer teens receiving SSI disability benefits are working, with a study finding that the percentage of teens reporting income of \$250 or more declined from 24 percent in 2000, to 16 percent in 2005.

Non-SSI teens with disabilities may also lose benefits as they approach adulthood. Social Security dependent benefits for children end at age 18, and eligibility for some children's programs ends at age 19, including ARKids B, TEFRA waiver, and DDS Children's Services.

Mental Disorders

A majority of both SSDI and SSI beneficiaries are classified by SSA as having some form of "mental disorder," as shown in the next two tables. This broad category includes intellectual and disabilities, psychiatric disabilities, and also organic mental disorders. In 2010, 44,238 SSDI beneficiaries in Arkansas had mental disorders as a primary diagnosis, or 29 percent of SSDI beneficiaries.

Among SSI disability beneficiaries, the rate of mental disorders is much higher, with 64 percent of SSI beneficiaries under 65 having some form of mental disorder. The SSI figures include children and youth, which accounts for part of the difference. Also, because SSI is a needs-based program, adults who have had lifelong disabilities are more likely to receive SSI benefits than SSDI.

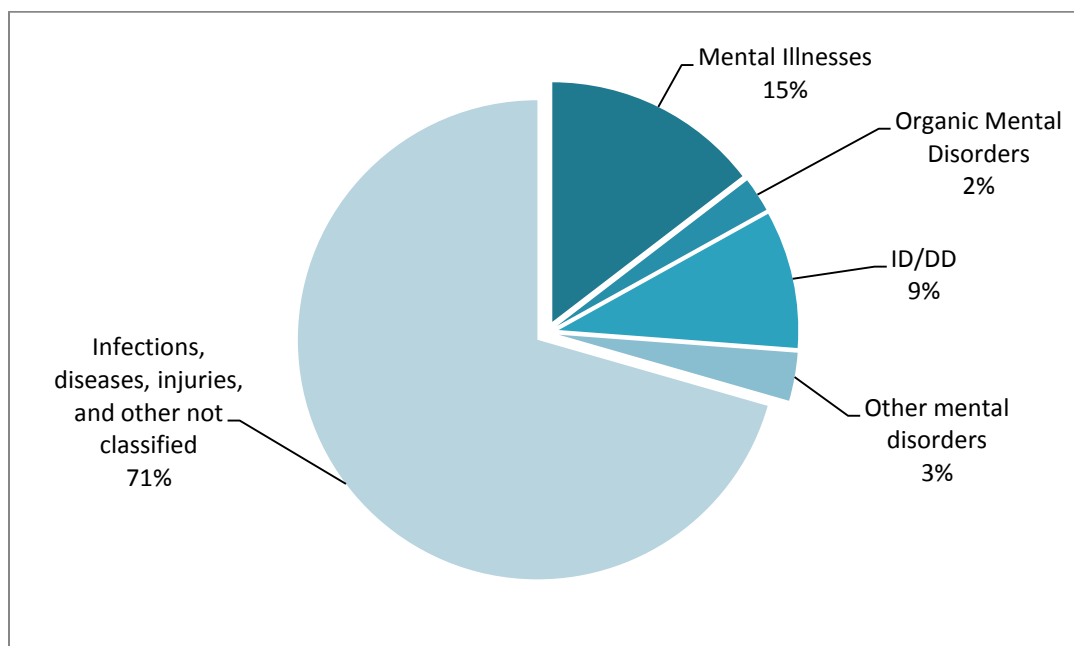
Psychiatric Disabilities

People with psychiatric disabilities comprise a large part of the total number of Arkansans with disabilities. In addition, many people with other types of primary disabilities have mental illness as a second condition.

Of the 90,784 Arkansan SSI recipients under 65, 16 percent of them—approximately 14,500 people—receive disability benefits based on a psychiatric diagnosis. Similarly, 15 percent of the 150,228 Arkansas SSDI beneficiaries ages 18-65—approximately 22,500 people—have primary psychiatric conditions. These conditions include illnesses such as depression, bipolar disorder, schizophrenia, and others.

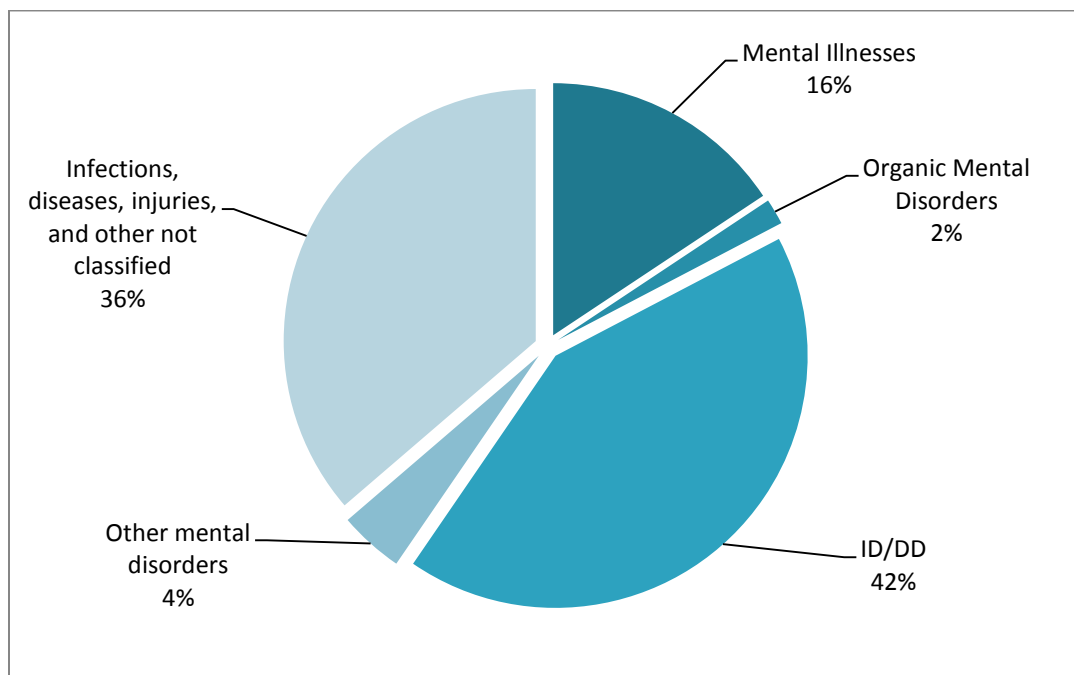
Traditionally, employment has been a goal of treatment, after an individual's symptoms have been controlled through treatment. Some services focus on preparing for employment, vocational assessments, skills training, and sheltered employment.

SSDI Beneficiaries, by Disability Type, 2010



Source: Annual Statistical Report on the Social Security Disability Insurance (SSDI) Program, 2010, Tables 11 and 11.A.

SSI Recipients Under 65, by Disability Type, 2010



Source: Supplemental Security Income (SSI) Annual Statistical Report, 2010, Tables 38 and 38.A.

Increasingly, employment is considered part of the therapeutic process, rather than being a final product of psychiatric services. Individuals with mental illnesses who work report improvement in psychiatric symptoms, satisfaction with leisure activities, finances, and self-esteem. Individuals with co-occurring mental illness and substance abuse can also benefit from participation in employment programs and have good vocational outcomes.

For individuals with serious mental illnesses, the Individual Placement and Support (IPS) model of supported employment developed at the Dartmouth Psychiatric Research Center has been recognized by SAMHSA as an evidence-based practice. More than a dozen States have implemented the EBP approach, or are implementing it now with support from Dartmouth.

The IPS model has been found to be more effective at helping individuals with long-term psychiatric disabilities gain and keep real jobs than traditional vocational services. Studies have also found that agencies which converted day treatment centers to supported employment achieved much better vocational outcomes.

IPS model supported employment is based on the following key elements:

- Competitive employment is the goal.
- Consumers determine their readiness for employment. Individuals do not have to be symptom-free, and individuals with co-occurring mental illness and substance abuse can participate.
- Job searches begin rapidly.
- The goal of the job search is to find a job that fits the individual's preferences, strengths, experiences, and unique challenges.
- Employment services are integrated with mental health treatment services.
- Follow-along supports are not time-limited.

Unfortunately, Arkansas lags behind in implementing this approach. Only a handful of CMHCs offer supported employment, and those who offer the service typically serve few people and have not achieved fidelity to the evidence-based practice.

The Department of Behavioral Health Services (DBHS) is currently working to increase emphasis on employment in the public mental health system. As discussed later in the report, the State is working on a Medicaid 1915(i) State plan amendment, which includes supported employment services. In addition, the division recognizes that some individuals may need to acquire work experience within provider facilities before seeking competitive employment in community, while others may be more independent and benefit from Ticket to Work services rather than supported employment.

Individuals with mental illness, like others with disabilities, face many barriers, including the stigma associated with mental illnesses. In addition, a 2011 survey of Arkansas mental health service practitioners showed evidence of staff-related barriers to consumer employment. For example, 54 percent of the 244 responders agreed with the statement, “My clients’ mental health symptoms prevent them from working.” 51 percent *disagreed* with the statement, “My clients have the job skills necessary to obtain employment.”

Survey respondents exhibited a serious gap in knowledge related to Social Security Work Incentives. Only 7.2 percent knew or correctly guessed that an SSDI beneficiary can earn up to \$1,000 per month and continue to receive SSDI cash benefits. Two percent knew that Social Security only counts less than half of earnings in determining monthly benefit checks. A majority said they did not know, while others guessed that most earnings are counted. Only 6 percent felt confident in their knowledge of TTW and how it can assist individuals with mental illness. Six percent felt confident in their knowledge of a program that provides free counseling about SSDI & SSI work incentives. Seventy-two percent of respondents stated that they had never referred a client to a work incentives counselor.

However, mental health practitioners do perceive benefits for people with disabilities who work. Sixty-four percent of respondents agree with the statement “My clients’ symptoms would improve if they worked.” Seventy-eight percent of respondents agree with the statement “My clients’ financial situations would improve if they worked,” showing evidence of practitioners who do not see their clients as entirely financially dependent on public benefits.

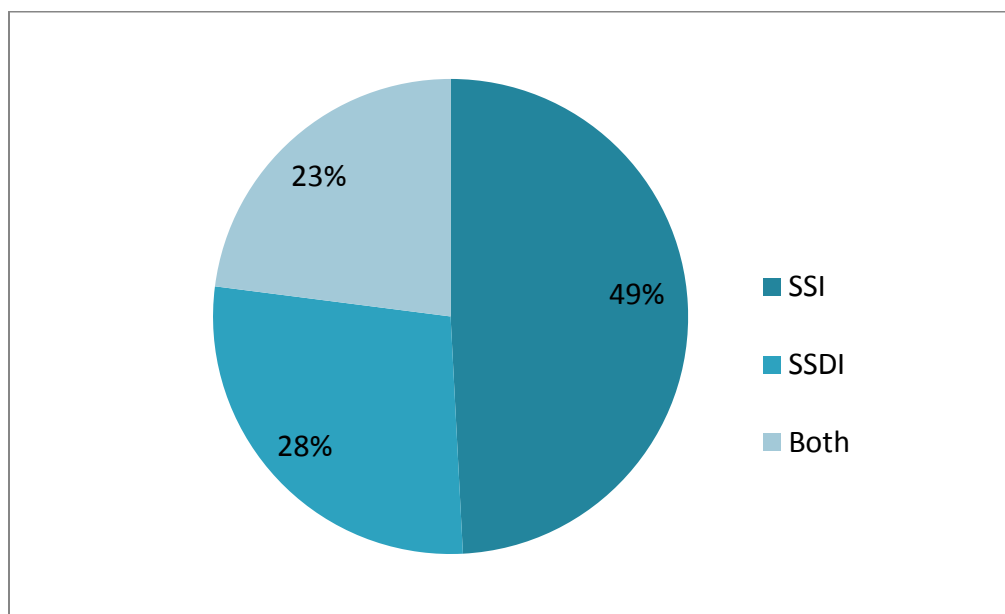
Intellectual and Developmental Disabilities

Statistics on individuals with developmental disabilities have been limited, because SSA disability data on classify developmental disabilities into several groups, such as congenital anomalies and diseases of various body systems. However, they do publish detailed data on individuals with intellectual disabilities, including employment.

As a group, individuals with intellectual disabilities make up a significant portion of the disabled population:

- More than 24,000 Arkansans with intellectual disabilities receive benefits from the Social Security Administration – either through the Supplemental Security Income (SSI) program for low-income individuals with disabilities, Disability Insurance (SSDI) for former workers and disabled dependents of workers, or both.
- More than a quarter of Arkansans on SSI and more than 9 percent on SSDI have intellectual disabilities.

Intellectually Disabled Arkansans, Age 18-64, 2009



Source: Custom reproduction for Arkansas, of Annual Statistical Report on the Social Security Disability Insurance (SSDI) Program, 2009, Table 68.

- Nearly half of disability beneficiaries with ID receive SSI only (see chart above). The monthly SSI benefit varies based on other income, with a maximum for a single person of \$674 in 2010.
- Another 23 percent receive small SSDI checks supplemented by SSI benefits, for a total of 72 percent Arkansans with ID with incomes below 75 percent of the federal poverty level.

It is important to know which benefits people receive, because the work incentives are different, as explained below. Also, there are differences in the cost to the State, because individuals receiving only SSI benefits rely totally on Medicaid for their health care coverage, while Medicare provides primary coverage for individuals with SSDI.

A relatively high percentage of individuals with ID are employed:

- Individuals with intellectual disabilities make up 28.6 percent of all SSI recipients aged 18-64, but make up nearly half (46.3 percent) of all SSI workers.
- In 2008, 7.8 percent of individuals with intellectual disabilities had earned income.

While many individuals with intellectual disabilities are working, their wages are conspicuously low. Although data on work setting is not available, one likely explanation is that many workers are employed in sheltered workshops, rather than integrated employment settings with a competitive wage.

- In 2008, 41 workers with intellectual disabilities were enrolled in 1619(a), a provision that allows SSI recipients to keep some cash benefits when they earn more than \$1,000/month. Their earnings averaged \$1,162/month.
- Another 291 people participated in 1619(b), which allows SSI recipients to keep Medicaid when their SSI cash benefits stop due to earnings. Their average monthly earnings were \$1,021.
- However, the majority of people with intellectual disabilities on SSI had very low earnings, averaging \$179/month (equivalent to about \$8/day or \$2/hour based on a 20-hour work week).
- A large portion of SSI recipients (42 percent) earn less than \$65/month. The SSI check is reduced only \$1 for every \$2 earned over \$65. Some people may have the mistaken belief that they are not allowed to earn over \$65.

Supported employment is a service to place people with significant disabilities in competitive employment. Arkansas has lagged behind other States in use of supported employment services for persons with ID/DD:

- Among ID/DD participants, Arkansas had one of the lowest rates in the nation of participation in supported or competitive employment, at 2 percent. (2006)
- By comparison, neighboring State of Oklahoma had the highest rate, at 77 percent in 2006.

The Fiscal and Social Impact of Disability Benefits

States expend considerable resources on working-age people with disabilities, primarily in the form of Medicaid health coverage. In 2008, the States combined spent a total of \$71 billion on assistance to working age persons with disabilities, in addition to \$357 billion in federal funding. Furthermore, the fact that at least one in ten working-age Arkansans are out of the workforce due to disability has a significant impact on State tax revenues.

Even though people with disabilities receive money and services from disability benefit programs, there is a social cost. Working-age people with disabilities overwhelmingly live on low-incomes, and many live in poverty. A national study by the Kaiser Family Foundation shows

that Social Security disability beneficiaries, who are under age 65 and disabled, are much more likely to live under the federal poverty level (\$907.50/month for a single person in 2011) than Social Security retirement beneficiaries. Thirty-five percent of disability beneficiaries live below the federal poverty level, compared to 12 percent of seniors. They are also more likely to report problems with ability to pay for their health care.

In Arkansas, roughly half of all disability beneficiaries receive benefits that are below or near the poverty level:

- The average monthly SSDI benefit for a disabled former worker in Arkansas was \$1,061 in 2009, about 118 percent of the federal poverty level for a single person. As a result, many SSDI beneficiaries qualify for various categories of Medicaid to supplement their Medicare coverage.
- Over 20,000 SSDI beneficiaries have benefits that are so low that they also qualify for SSI benefits to bring their income up to 75 percent of the poverty level.
- Almost all SSI beneficiaries are very poor, as the income limit is set at about 75 percent of the federal poverty level. This group includes approximately 62,000 working-age Arkansans.

While some disability beneficiaries may have other family income that lifts them above the poverty level, others may be supporting dependents on their benefits, dragging the household below the poverty level.

There are many non-economic social costs as well. People with disabilities often live in isolation. Some are stuck at home due to their impairments and transportation problems. Lack of employment can also be an important factor, because work provides structure, activity, social involvement, and sense of purpose. Many individuals are also segregated due to publicly-funded programs that provide housing and social services in congregate settings, such as group homes, subsidized apartments, day treatment facilities, etc.

Another issue is mental illness. In addition to the significant number of individuals with disabling psychiatric conditions, many individuals have mental illnesses as secondary conditions. Researchers have noted that persons who are unemployed for an extended period exhibit many symptoms of depression.

Do disability beneficiaries want to work?

Disability beneficiaries have good reasons for wanting to work: to escape poverty and have resources for a better lifestyle; to be active and integrated into their communities; and to feel productive. There is strong evidence that many disability beneficiaries would in fact like to work regardless of their impairments.

A major national study by Mathematica Policy Research for the Social Security Administration found that 40 percent of SSDI beneficiaries said they wanted to work, and half of those individuals actually went to work or took steps towards employment, such as getting training. Others who expressed interest in employment may not have been able to proceed due to health issues, care-giving responsibilities, and other barriers.

There is considerable evidence that many Arkansans with disabilities want to work. For example, several thousand disability beneficiaries seek services each year from Arkansas Rehabilitation Services, while others use the Department of Workforce Services to seek employment. Hundreds of beneficiaries request work incentives counseling from Project AWIN, and each month more than 100 individuals called the Employment Sources Hotline to request information about work incentives and employment.

However, individuals often seem to have difficulty in achieving their goals, in part because it is difficult to navigate the system and get the information and services they need. Also, many beneficiaries have multiple barriers, including poor health, physical impairments, limited education and job experience, lack of transportation, etc.

Disability Work Incentives in Public Programs

The SSDI and SSI programs have long included provisions to encourage employment, known as work incentives. People are typically surprised how much disability beneficiaries can earn and still keep benefits. For example:

- SSDI beneficiaries can work and keep their full SSDI check if their earnings remain below the Substantial Gainful Activity (SGA) level, which in 2010 is \$1,000 per month.
- Less than half of employment income is counted in calculating SSI benefits, and SSI beneficiaries are allowed to earn over the SGA level without jeopardizing their benefits or disability status.

- Even if SSDI and SSI beneficiaries earn enough to have their disability checks suspended, they can typically keep their Medicare and/or Medicaid health coverage.
- For example, Arkansas SSI beneficiaries can earn up to \$28,221 and remain eligible for Medicaid in 2010. SSA sets higher individual limits for individuals who use publicly-funded personal care, have high medical costs, etc.
- SSA's Ticket to Work program enables beneficiaries to get help finding and keeping a job, and helps them retain their disability status while getting an education or job training, or getting started in a career.

In addition, other public programs also have work incentives, including SNAP (Food Stamps), and some HUD-subsidized housing. These work incentives are listed and briefly described in Appendix 2.

Employment Data

A significant number of Arkansas disability beneficiaries are working at some level, as discussed below. However, Arkansas trails behind most other States, according to available data from the Social Security Administration.

SSDI Employment Data

In 2009, the percentage of Arkansas SSDI beneficiaries with benefits withheld due to significant earnings was 60 percent of the national average.³ SSA only reports employment of SSDI beneficiaries whose benefits are withheld or terminated because they have had more than nine months of significant earnings (over \$1,000/month in 2010 and 2011):

- In 2009, 361 Arkansas SSDI beneficiaries had their benefits terminated due to successful return to work. Benefits are not terminated until a beneficiary has completed a nine month Trial Work Period, followed by a 36 month Extended Period of Eligibility, then earns over SGA.
- Another 373 SSDI beneficiaries had their cash benefits withheld in December, 2009.⁴ Benefits are withheld when beneficiaries have completed their Trial Work Periods and earn over SGA during their Extended Period of Eligibility.

³ SSDI Statistical Report, 2009, Table 56.

⁴ SSDI Statistical Report, 2009, Table 56.

SSI Employment Data

SSA provides much more detailed employment data for SSI disability beneficiaries, because they use monthly earnings to adjust beneficiaries' cash benefit amounts:

- 4,043 SSI disability beneficiaries in Arkansas had earnings in December, 2009. This was a slight decline from 2008, with five fewer individuals working.⁵
- However, because the number of SSI beneficiaries is growing rapidly, the SSI employment rate for individuals aged 18-64 declined from 7.2 percent in 2007 to 6.6 percent in 2009.
- Arkansas's SSI employment rate ranked 39th among the States in 2009.

In 2009, most Arkansas SSI beneficiaries who worked earned less than the Substantial Gainful Activity level (\$980/month in 2009). This group totaled 2,960 SSI beneficiaries, and their earnings averaged just a few hundred dollars per month. In fact, 30 percent of Arkansas SSI beneficiaries earned \$65 or less per month, possibly due to lack of awareness of work incentives.

However, two groups of Arkansas SSI beneficiaries had significant earnings in 2009:

- 117 individuals earned more than SGA (\$980/month in 2009), but remained eligible for a reduced SSI check. Their earned income averaged \$1,242 in December, 2009.
- 966 individuals earned enough to stop their cash benefits but remained eligible for Medicaid under 1619b. This group earned an average of \$1,302 in December, 2009.

The employment rate and earnings of Arkansas SSI beneficiaries might be higher if more beneficiaries, providers, and State agency staff were aware of SSI work incentives.

Barriers to Employment

The Task Force generated a long list of barriers to employment for Arkansans with disabilities. This list is not exhaustive, but it is presented to illustrate the barriers faced by individuals with disabilities, and by State agencies, service providers and advocates.

- People believe they will lose disability benefits if they work, and are generally unaware of Social Security and SSI work incentives
- Sometimes beneficiaries really are penalized for working by loss of certain benefits

⁵ SSI Annual Statistical Report, 2009, Table 45.

- Even stipends for some volunteer services programs are counted against people's benefits
- Individuals are often discouraged from working by their families and friends, service providers, healthcare providers, and even public agencies
- Businesses are skeptical about employing people with disabilities
- Job market limitations
- The rural nature of Arkansas – fewer job opportunities, hard to get to jobs
- Budget constraints limit spending on services to support employment
- People with high needs often can't get the services they need to work, such as supported employment
- Supported employment services are unavailable in many areas of the State, or only available for one disability
- Funding for supported employment may not be adequate to get providers to offer the service
- Lack of retroactive coverage keeps supported employment services from starting quickly
- Lack of awareness of assistive technologies
- Lack of supports for developing micro-enterprises for the those with the most significant disabilities
- Insufficient services in rural areas
- Stigma and fear of mental illness
- Inadequate community mental health services
- Lack of employment focus in educational reviews and treatment planning
- Lack of services for some students
- The quality of youth transition programs varies widely between school districts
- Lack of Section 504 services for students with disabilities
- Lack of information about tuition assistance is a barrier to higher education
- Sometimes disability beneficiaries are not offered a choice of services, and so they are stuck in day treatment

- Insufficient provision of funds for items necessary for starting employment (uniforms, etc.)

Other groups have identified additional barriers, including:

- The economy
 - Absence of jobs
 - Loss of jobs in manufacturing
 - Available jobs pay poorly
- Low educational attainment, especially among people with mental illnesses
- Disability service providers may discourage clients from working
- Public agencies may also inadvertently discourage employment

The Task Force recommendations in the next section focus on barriers which can be impacted by State agencies.

Task Force Recommendations

Priorities for 2012

The Task Force identified priorities for 2012. These actions were selected as priorities because they need to be done first or because they require collaboration between agencies. However, the Task Force believes that other recommendations are equally important for long-run success in increasing employment and reducing barriers.

- Develop online training modules on disability employment, to efficiently train large numbers of State and provider agency staff who work with individuals with disabilities. To be developed in-house by the EmployAbility Project in collaboration with other agencies. (Recommendation 1)
- Launch a joint outreach and marketing campaign to raise awareness of opportunities to work. This effort will be launched with federal grant funds, and hopefully sustained by participating agencies.
- Identify funds to continue the Employment Hotline, which helps about 1,500 individuals with disabilities who want to work each year by providing a single phone number for information and referrals. The Hotline has been funded with federal grants, but alternate funding is needed to sustain it. (Recommendation 3)
- Increase emphasis on employment in Medicaid home and community services programs to enable more individuals with disabilities to get jobs. (Recommendations 10, 11, 12)
- Continue interagency collaboration to increase employment, including outreach and marketing, training, coordination of services, and reporting outcomes. (Recommendation 30)
- Explore strategies for sustaining the EmployAbility Project, which provides policy analysis, coordination, training and technical assistance. The project's federal funding will run out next year. (Recommendation 32)
- Determine the employment rate of Arkansas disability beneficiaries to establish a baseline and measure yearly progress. The Department of Workforce Services will analyze earnings data from unemployment insurance with a list of SSDI and SSI beneficiaries. (Recommendation 21)

Awareness of Work Incentives and Employment Services

There are many misconceptions and myths about employment and how it will affect disability benefits. Beneficiaries and others often perceive dire consequences if they work, such as losing all of their disability benefits. People are often unaware of opportunities for individuals to work and improve their lives by working.

In fact, Social Security Disability Insurance and SSI have good work incentives. While the work incentives for the two programs are different, beneficiaries can typically:

- Work part-time, limit their earnings, and continue to receive both cash benefits and Medicare and/or Medicaid health coverage; or
- Work full-time and give up their cash benefits, but keep Medicare and/or Medicaid;
- Avoid regular medical reviews of their disability status, if they use the Ticket to Work program when returning to work or getting education or training to prepare for employment.

Unfortunately, there is wide-spread lack of awareness of Social Security and SSI disability work incentives, both in Arkansas and across the nation. A major national study by Mathematica found that a majority of SSDI and SSI beneficiaries had not heard of Social Security work incentives and supports such as the Plan to Achieve Self-Support (PASS) plan and Impairment Related Work Expenses (IRWEs). This lack of understanding leads to myths and misconceptions about employment that pose a major barrier.

It is not just disability beneficiaries and lay persons who are uninformed. Many staff members of public and private agencies serving people with disabilities also have very limited knowledge of work incentives. As a result, they are unable to correct misunderstandings, and may instead contribute to the problem by discouraging clients from working.

For example, 2011 surveys of Arkansas mental health and development disabilities provider agency staff found that disability professionals have very little knowledge about the most basic work incentives, such as the Trial Work Period (TWP), the SSDI Substantial Gainful Activity (SGA) level, and the SSI earned income disregard. Key survey results are summarized in the table below:

Provider Knowledge of Work Incentives and Benefits		Mental Health Providers	DD/ID Providers
Correctly answered question about SSI method for counting earned income		2%	9%
Correctly answered question about SSDI earned income limit (SGA)		7%	14%
Frequency of referrals to work incentives counselors in a year	Never	72%	70%
	1-15	28%	27%
	15+	1%	3%
Reported no knowledge of SSA-funded work incentives counseling		47%	47%
Reported no knowledge of the Ticket to Work		49%	47%

Limited Use of Work Incentives by Arkansans

Arkansas ranks low among the States in beneficiaries' use of work incentives. Out of 62,000 disabled working-age SSI recipients in Arkansas, relatively few used work incentives.

While about 4,000 Arkansas SSI beneficiaries have earnings each year, 42 percent of them earn less than \$65/month. Apart from being less than a livable wage, this figure suggests widespread misunderstanding of the SSI earned income exclusion. Many people have the mistaken impression that \$65/month is the limit on earnings. As discussed previously, some Arkansas SSI beneficiaries earn over \$1,000/month and continue to receive reduced cash benefits, because SSI rules exclude 50 percent of earned income over \$65.

Research on Effectiveness of Work Incentives Counseling

Other States – including Vermont, Connecticut, and Wisconsin – have tested different types of interventions such as work incentives counseling, new work incentives (i.e., income exclusions), and evidence-based approaches to employment.

- In Vermont, vocational rehabilitation (VR) and community mental health clients were given work incentives counseling. They found that the employment rate increased by 30 to 45 percent, and earnings increased by about two-thirds.
- In Connecticut, a study found that:
 - Those who received work incentives counseling alone earned \$200 more in the next quarter;

- Those who received both VR and counseling earned \$400 more in the next quarter; and
- The VR/counseling combination also had the best outcomes on rate and duration of employment, as well as earned income.
- In Wisconsin, researchers found significant employment gains from as little as four hours of counseling over a two year period, and a significant relationship between counseling and earnings.

Strategy: Inform individuals with disabilities about employment options

Many Arkansans with disabilities want to work, but they are often afraid of losing their safety net of disability benefits, especially health care. Work incentives counseling helps individuals make informed choices, and research shows that it increases employment rates and earnings. Individuals often need help navigating the system, because so many public and private agencies provide services related to employment. Individuals also need information about employment services and their rights under federal law.

SSA contracts with agencies in every State to provide free work incentives counseling, through the Work Incentives Planning and Assistance (WIPA) program. The WIPA program in Arkansas is known as Project AWIN (Arkansas Work Incentives), and it has a very good reputation. However, many disability providers and State agencies do not utilize this resource, which could help increase the employment rate and earnings of Arkansans with disabilities.

1. Provide training on disability employment to State agency and provider agency staff

Recommendation:

State agencies should offer three levels of training on disability employment for their staff and provider agencies. Basic orientation should be required for staff of agencies serving people with disabilities, and could be offered online using video. Intermediate level training covering specific work incentives should be required for case managers and employment program staff. In-depth training on work incentives would be useful to persons who will actually provide work incentives counseling or work incentives training. Some State agencies may need in-house training capability on work incentives to meet the needs of their staff and providers.

2. Refer individuals who work or want to work to work incentives counselors

Recommendation: *Provide work incentives counseling to persons with disabilities who work or want to work*

- *State agencies, especially Rehabilitation Services, Human Services, Special Education, Workforce Services and their vendor/provider networks, will refer individuals who want to work for work incentives counseling.*
- *State agencies will amend vendor/provider contracts to add the expectation that individuals who want to work will be referred for work incentives counseling.*
- *Alternative and/or additional funding will be secured for work incentives counseling. For example, DAAS will explore adding work incentives counseling as a Medicaid waiver service.*

3. Continue funding an Employment Hotline

Recommendation: *Provide continued support for an Employment Hotline to help individuals navigate the system. Help individuals connect with the Hotline by developing links from other resources.*

4. Provide individuals with information needed to make informed choices

Recommendation: *Individuals with disabilities need to be well-informed to make choices about employment and services. State agencies and providers should establish procedures to ensure that individuals are informed about services options and their rights, including:*

- *vocational rehabilitation;*
- *job accommodations under the ADA;*
- *assistive technology resources such as ICAN;*
- *centers for independent living;*
- *protection and advocacy, and how to make complaints and report problems;*
- *volunteer service opportunities and internships, which can provide valuable job experience.*

5. Review State agency communications and revise

Recommendation: *State agencies should review practices and timelines for response under the lens of encouraging employment and long-term services that might impact employment, and that a State committee provides guidelines for State agency communications and communication practices.*

Discussion: Sometimes State agencies' communications are inconsistent with promoting employment or difficult for individuals to understand. For example, Working Disabled Medicaid applicants are often perplexed when they receive denial notices stating that they are not eligible because they are able to work since they are applying for a program that requires participants to work.

Strategy: Develop effective techniques for informing youth with disabilities and their parents about employment

Youth transitioning out of high school face unique challenges in joining the work force. Many childhood disabilities, such as speech and language delays, may not qualify for continued disability benefits as adults. Families who depend on disability checks may discourage youth from working or preparing for work for fear of endangering cash benefits.

Subsisting on disability benefits can severely limit life choices. Dependence on SSI benefits means living below the poverty level. Disability beneficiaries are often afraid of losing their benefits—especially if that dependence on public benefits permeates family culture—causing them to avoid work, even though working provides a route out of poverty. Even marriage may be a threat to disability benefits, both for SSI beneficiaries and for those SSDI beneficiaries whose benefits are based on a parent's work record.

SSI does not have to be a way of life or a trap that keeps people dependent. SSI can help youth transition to employment, including providing steady income and health coverage while youth are in school or training.

SSI work incentives can help youth test their ability to work, gain work experience, and pay to prepare for a career:

- The Student Earned Income Exclusion lets students under age 22 earn up to \$6,600 a year without any reduction in their SSI benefits.
- If they earn more than \$6,600 a year, their benefits will gradually be reduced, but they will still come out ahead.
- A PASS plan can be used to pay for college, job training, a car, tools, a computer, and other purchases related to becoming self-sufficient.
- Free work incentives counseling is available to help SSI beneficiaries understand their options, and enable them to make informed choices

Unfortunately, many youth and parents are not aware of SSI work incentives. If they are, they are likely to have difficulty navigating them. Finally, parents and youth may believe that their work options are limited to sheltered workshops rather than independent, competitive employment.

Other services that support transitions into employment:

- Public education, both special education and general education, can include work experiences to help youth prepare for employment;
- Arkansas Rehabilitation Services counselors work with high school students to help them prepare for employment; and
- The Department of Workforce Services' Disability Employment Initiative is focusing on increasing employment of youth with disabilities.

6. Develop a short, online video to inform students, parents, and teachers about employment options

Recommendation: *We recommend an Internet video, in accessible media formats, for students with disabilities, their parents, and teachers to watch. The video will be less than ten minutes and include the benefits of working, complex nature of work incentives, encouragement to learn about work incentives for oneself rather than relying on anecdotes and rumors from neighbors and friends, and work incentive counselor contact information. This video should also be available on other websites such as the Arkansas Transition Services' website.*

7. Encourage youth and parents to consider employment, beginning early in high school

Recommendation: *For students with disabilities, work incentives should be introduced at the initial transition IEP meeting, if possible, using an informational video, and then addressed thereafter at each meeting where transition is discussed. Teachers could use the online employment video as a resource in IEP meetings, as well as in the classroom. Vocational rehabilitation counselors and disability service providers will be encouraged to promote employment and help arrange paid and unpaid work experiences.*

8. Inform parents about the right to receive services in the most integrated setting

Recommendation: *We recommend informing parents that their children have a right to be in the most integrated setting.*

Strategy: Adopt a common logo to brand outreach and education efforts by State agencies, providers, and advocates

Task Force members discussed interagency collaboration on an outreach and education campaign. By using a common theme, logo, and materials, collaboration can help to brand marketing efforts so they will be recognizable and have greater impact.

The EmployAbility Project worked with public relations consultant Jessica Szenher to develop a theme and logo called *Work with Me*. The proposed campaign will use simple messages about employment, success stories, and testimonials to encourage disability beneficiaries to consider employment.

A key component of the campaign is the Employment Hotline, which provides a single toll-free number (866-283-7900) for individuals across the State to call for information, referrals, and help navigating the system.

Work With Me logo



Ideas for a low-cost campaign include:

- Use the logo on outreach materials related to disability employment, such as brochures, flyers, and booklets.
- Agencies can promote employment by publicizing employment successes of their clients through newsletter articles, events, web pages, and social media.
- Information can be published inexpensively on agency websites, and links added to other agencies' employment resources.

Medicaid and Employment

Medicaid serves roughly 90,000 working-age Arkansans with disabilities, or about half of the State's disability beneficiaries. All SSI beneficiaries are automatically eligible for Medicaid, and many Social Security Disability beneficiaries also qualify for Medicaid in one category or another, due to poverty and/or significant impairments.

Medicaid is the major funding source for disability services in Arkansas, both in facilities and the community. Because Medicaid plays such an important role in funding disability services, States are increasingly working to remove barriers to employment within Medicaid programs and to ensure that employment is promoted as option. CMS also encourages employment as a means of improving outcomes and increasing community integration and self-sufficiency and recently released guidance on incorporating employment into Medicaid home and community service programs.

In some cases Medicaid is a valuable support for employment:

- Approximately 4,000 Arkansas SSI beneficiaries earned income each year with little risk of losing Medicaid.
- Working Disabled, an optional Medicaid program, provides health care coverage for some previously uninsured individuals with disabling conditions who wanted to keep working rather than applying for Social Security Disability.
- Working Disabled helps other individuals by supplementing their employer health coverage or Medicare, making it easier to access medical care they need to stay healthy enough to work.
- Medicaid covers specialized services that enable individuals with disabilities to live and work in the community, such as attendant care, assistive devices, psychiatric therapy, and other services that are excluded or not fully covered by other health insurance.
- Medicaid pays for supported employment for individuals with developmental disabilities in the ACS waiver, to provide long-term support after ARS services end.

Examples of workers with disabilities who have benefited from Medicaid:

- After enrolling in Working Disabled, Taffy Haulmark of Clarksville was able to get hip surgery that helped her keep working at a small store, where her job required mobility.
- Franklin McMurrian has health insurance through his job at Acxiom but relies on Medicaid for attendant care. McMurrian and other individuals with quadriplegia often

need eight hours/day of services, which can cost over \$25,000/year, as much or more than some earn by working.

- Lori Gentry of Ash Flat enrolled in Working Disabled to get help with Medicare premiums, which increased to several hundred dollars a month because her SSDI benefits had stopped eight years earlier.

Medicaid as a barrier to employment

Medicaid can also present significant barriers to employment:

- Many Medicaid beneficiaries fear the loss of Medicaid if they work, even SSI beneficiaries who are often unaware of SSI's excellent work incentives.
- For SSDI beneficiaries in various Medicaid categories, the loss of Medicaid coverage due to employment is a real possibility, even if they only work part-time.
- Medicaid pays for disability services, such as day treatment, which tend to keep people dependent, rather than promoting recovery and employment.
- Some Medicaid providers seem to discourage their clients from working, due to lack of awareness of work incentives, over-protectiveness, or concern about loss of billable units.

Strategy: Reduce barriers to employment for Medicaid beneficiaries with disabilities

Note: Some of these proposals are already under development, while others are presented for future consideration.

9. Begin incorporating employment into Medicaid case management

Recommendation: *Medicaid case management services should include assessment of individual's employment goals, barriers, and service needs, coordination of work incentives counseling and employment services, and assistance with reporting earnings to SSA and DHS.*

Discussion: Medicaid pays for case management for certain groups of individuals with special needs, including individuals with developmental disabilities, psychiatric disabilities, and some individuals with physical disabilities. In the broad sense, case management includes assessing individuals' goals, needs, and functional eligibility for services, then arranging and monitoring Medicaid services and other services to meet those needs.

The case management role is often split between State agency waiver staff and provider agency staff. Currently, most case managers are poorly informed about work incentives and employment services. In some cases they may discourage clients from working.

The Division of Aging and Adult Services plans to add an employment section to the new long-term care assessment and service planning software, known as ARPath. ARPath will be used for assessments and service planning for individuals with physical, psychiatric and developmental disabilities, as well as the frail elderly. ARPath development is funded by federal grants.

Inclusion of employment questions will help to ensure that individuals are asked about current employment and employment goals, and that they receive referrals to work incentives counselors and employment services. Case managers will play a small but important role in identifying Medicaid beneficiaries who want to work, then referring them to work incentives counselors, job placement programs, and vocational rehabilitation.

Training is needed to ensure that case managers have at least a basic understanding of work incentives and employment services and are sufficiently familiar with services to refer individuals for specialized assistance. The EmployAbility Project will develop training materials to be incorporated into each agency's training curriculum for case managers.

No cost estimate has been developed for this proposal. As noted above, federal grant funding will be used to pay for the employment portion of the ARPath assessment and for developing employment training. Coordination of employment services will be a small part of case management, especially since many individuals are unable to work, and case managers would merely make referrals rather than providing job placement or other employment services.

10. Explore strategies to expand use of supported employment in Medicaid HCBS services

Recommendation: *Explore strategies to expand use of supported employment in Medicaid 1915(c) and 1915(i) home and community services programs. Supported employment is already available to individuals with ID/DD through the Alternative Community Services waiver, although utilization is low. Plans also call for including supported employment in the 1915(i) program for individuals with psychiatric disabilities.*

Discussion: Supported employment services help individuals with significant disabilities get and keep competitive jobs that pay at least minimum wage. Components of supported employment may include assessing an individual's goals and abilities, finding a suitable job placement, negotiating terms and conditions of employment, arranging job accommodations and natural

supports, providing job coaching, and resolving issues between the workers and their supervisors and co-workers.

The initial phase of supported employment is typically funded by vocational rehabilitation, but Medicaid can play an important role by providing long-term support after VR-funded services end. Some States have reported good employment outcomes from using Medicaid supported employment to supplement VR services.

Maryland is noted for successfully coordinating VR and Medicaid services to increase employment of individuals with serious psychiatric disabilities. Coordinating Medicaid services with VR services enables States to provide long-term supported employment, recognized by SAMHSA as an evidence-based practice that improves employment outcomes.

Medicaid can also play an important role in funding supported employment for individuals with intellectual and developmental disabilities (ID/DD). Oklahoma reports that 77 percent of adult DD waiver participants are involved in competitive employment. Oklahoma is notable because they incentivize providers by paying for employment outcomes.

Supported employment is considered to be a cost-effective service, because service utilization declines over time as individuals learn job tasks and become acclimated to the workplace environment. Studies have found that employment reduces long-term use of mental health services by individuals with serious mental illnesses.

DDS already offers supported employment has an option for participants in the Alternative Community Services waiver, but it is underutilized, and few providers have active supported employment programs. DBHS plans to include supported employment as a service in the proposed 1915(i) program of recovery-oriented community services.

Some Arkansans with developmental disabilities have benefited greatly from supported employment services received in the past. These services not only improved the individual's lives but also reduced their use of State services. For example:

- Pat Long of Hot Springs lived in a group home and attended day treatment after high school, before getting a job at Kroger through a supported employment program. He now lives independently, owns his own condo, and is actively involved in a civic group.
- Tony Fisher grew up at the HDC in Conway. He got a job at a local Pizza Hut, where he has worked for over 20 years. After getting his job, he transitioned to a group home, and later to an apartment shared with two other men.

- Susan Board of Conway also spent time in an institution before transitioning to community living, including a job at Kroger. She now lives in her own mobile home.

No cost estimate has been developed. The intent is to encourage individuals to choose supported employment, in place of other Medicaid services such as day treatment. Research in Wisconsin found that the long-term cost of day treatment for individuals with developmental disabilities was almost 90 percent higher than the cost of supported employment (Cimera, et al., 2011).

11. Consider additional changes in Medicaid HCBS waivers to allow full-time employment

Recommendation: *DHS should complete waiver changes to add 1619(b) and Working Disabled participants to the ACS and AAPD waivers. These changes would allow waiver participants to work full-time without losing waiver services.*

Discussion: This change would allow Medicaid beneficiaries with significant disabilities to support themselves by working, without the risk of losing waiver services. Although many waiver participants are unable to work at all, some are successfully employed, pay taxes, and live fairly independently, with assistance from Medicaid waiver.

However, even 1619(b) participants who are considered SSI beneficiaries, and thus automatically eligible for Medicaid, run the risk of losing waiver services if they earn enough to exceed the waiver income limit, which is \$2,022/month in 2011.

Examples:

- Franklin McMurrian, a former SSI beneficiary with quadriplegia, was disqualified from the AAPD waiver when he went to work at Acxiom after graduating from UALR. Fortunately he remained eligible for Medicaid under section 1619b, continued to receive attendant care through the Independent Choices program, and kept working at Acxiom.
- An ACS waiver participant was reportedly forced to quit his job at the UPS facility in Little Rock, to avoid losing his waiver services.

The waiver changes recommended by the Task Force have already begun, but full implementation has been delayed:

- In 2009, Arkansas amended the Alternatives for Adults with Physical Disabilities (AAPD) waiver to allow Working Disabled participants to use waiver services. To date, no one has used this option, but several AAPD waiver participants are anxious to enroll in

Working Disabled so they can increase their earnings without jeopardizing their attendant care.

- A similar amendment to the Alternative Community Services waiver (ACS) for persons with developmental disabilities has been approved by CMS, and implementation is pending.
- An amendment to add 1619b participants (working SSI beneficiaries) to the AAPD waiver has also been approved by CMS, and implementation is pending.
- Finally, amending the ACS waiver to add 1619b participants would allow SSI beneficiaries in that waiver to work full-time without losing services.

DMS reviewed the impact of adding the 1619b group to the AAPD waiver and determined that there would be no increase in enrollment and no additional cost because waiver enrollment is capped. Also, 1619b participants are already entitled to Medicaid under federal law, because they are considered SSI beneficiaries even though they no longer receive cash benefits.

12. Consider allowing Medicaid LTC residents to save more earnings

Recommendation: *Consider allowing Medicaid recipients in long-term care facilities to save earned income for transition expenses in Individual Development Accounts or transition accounts to cover transition expenses, such as apartment and utility deposits.*

Discussion: Arkansas Medicaid rules allow individuals living in HDCs and other ICFs to work and keep earned income up to the SSI benefit amount (\$674/month in 2011) in addition to their \$40/month personal needs allowance.

Some HDCs and 10-bed ICFs report having significant number of residents who are successfully employed. For example, a young woman living at the Southeast Arkansas Human Development Center worked at a local Wendy's, and later transitioned out of the facility to a group home. Individuals like her might be prime candidates for transition to the community and greater self-sufficiency.

However, the resource limit of \$2,000 for Medicaid long-term care which discourages individuals from being thrifty and saving their earnings. As a result, individuals may have to rely on public funds from the Money Follows the Person program to cover transition costs such as apartment deposits, first month's rent, utility deposits, and household items.

The cost of this recommendation has not been determined. The proposed change would not affect residents' share of long term care costs, because most or all earned income is already excluded.

13. Evaluate the impact of maintaining Working Disabled after health care reform implementation

Recommendation: *DHS should consider maintaining the Working Disabled Medicaid program after implementation of the Affordable Care Act in 2014, to ensure that workers with disabilities have access to the specialized services they need to remain employed, such as attendant care and other waiver services, assistive technology, therapy, and coverage of Medicare cost-sharing.*

Discussion: Working Disabled is one of the smallest Medicaid categories, currently covering 110 individuals who qualify because they work, have a disability, and support themselves with their earnings rather than disability benefits. The average annual income of Working Disabled participants was \$15,811 in 2008, according to a study by Mathematica Policy Research for CMS. Because their incomes are higher than most Medicaid beneficiaries, they pay higher co-pays.

Many current Working Disabled participants may leave the program in 2014 when they are offered health insurance by employers or through the Exchange, with no exclusion of pre-existing conditions. However, giving up Medicaid is not a viable option for individuals who rely on Medicaid services such as attendant care, assistive technology, and certain therapies which are excluded or not fully covered by health insurance. For these individuals the threat of losing Medicaid is a serious barrier to continued employment.

Another issue will be deductibles, co-pays, and co-insurance for health plans through employers or the Exchange. Low-income individuals with disabling chronic conditions, such as many Working Disabled participants, may have difficulty accessing care and paying insurance deductibles and co-insurance without supplemental coverage from Medicaid.

The cost of this recommendation has not been determined.

14. Consider revising eligibility for QMB, SMB, and QI to encourage employment

Recommendation: *Medicaid eligibility criteria for the Medicare Savings Program (QMB, SMB, and QI) should be revised to disregard some or all earned income. This would ease the transition to both part-time and full-time employment, reducing dependence and boosting income tax revenues.*

Discussion: More than 23,000 low-income Arkansas SSDI beneficiaries receive assistance with Medicare cost-sharing under the Medicare Savings Program, a federally-mandated Medicaid program. The MSP consists of three different categories -- QMB, SMB, and QI. While the benefits are limited, they play an important role in helping low-income individuals access and afford Medicare services.

Although SSDI beneficiaries can typically keep their Medicare coverage if they work, they risk losing valuable MSP benefits if they work even part-time. A case manager at a dialysis center notes that the threat of losing QMB coverage of Medicare cost-sharing is a major barrier to employment for kidney patients who qualify for Medicare due to End-Stage Renal Disease.

MSP eligibility is determined using the SSI rules, so about half of earned income is already disregarded in determining eligibility. However, the income limits are so low (100 percent of the Federal poverty guideline for QMB, 120 percent for SMB, and 135 percent for QI) that even a few hundred dollars of earnings can result in the loss of coverage worth an equivalent amount. The loss of MSP benefits, or the threat of losing them, may scare low-income Medicare beneficiaries out of the job market.

The cost of this recommendation has not been determined, and some level of increased enrollment would be expected. However, it is presented for future consideration as a strategy for removing a significant barrier to employment for a large group of SSDI beneficiaries.

Employment Services

Less than one percent of people receiving disability benefits return to work, in spite of evidence that many of them *want* to work. There are ample success stories to demonstrate that even highly impaired individuals can be productive members of society and valued employees at many types of businesses.

Arkansas offers a wide range of services to educate children, youth, and adults, and to provide job training and placement to all Arkansans regardless of disability. The State also supports special education programs for students with disabilities, and an array of vocational rehabilitation services to help individuals with disabilities prepare for employment.

Even though Congress and federal agencies design major new programs and provide much of the funding, the success of employment programs often depends on implementation at the

State and local level. This section of the report will focus on changes to improve employment outcomes for disability beneficiaries and those with significant disabilities.

Many disability beneficiaries have work experience and could work, at least part-time, with minimal services, including work incentives counseling. Beneficiaries who have the potential to work full-time and give up their cash benefits would typically benefit from SSA's Ticket to Work program, which pays providers for their clients' employment outcomes, and gives beneficiaries additional protections against loss of their disability status.

While some beneficiaries need minimal assistance, others with significant disabilities may need intensive services. Too often services have been provided in segregated settings like sheltered workshops and day treatment programs, while supported employment seems to be unavailable in many areas of Arkansas.

A major concern is the relatively weak network of providers offering employment services. While a few providers operate thriving businesses and workshops that give individuals good opportunities to supplement their benefits, many providers offer very limited employment opportunities. For example, providers may incorporate some paid work opportunities into day treatment programs, or offer integrated employment opportunities, but only to a handful of clients. Few provider agencies have robust employment programs with full-time employment specialists.

Providers will need adequate reimbursement to develop stronger employment programs, and to hire, train and retain employment specialists. State agencies will need to set standards, measure outcomes, and provide training and quality assurance.

As expectations change, individuals with disabilities are likely to expect more person-centered services, including the opportunity to get real jobs in the community that reflect their personal interests and goals, rather than the goals of provider agencies. Arkansas can meet this demand by increasing use of supported employment and other services that produce better employment outcomes and more community integration for individuals with significant disabilities.

New or expanded employment services can be funded by allowing funding to follow the person, from facility-based services to community-based services like supported employment.

Strategy: Adapt employment services to better serve the needs of disability beneficiaries

15. Implement best practices for vocational rehabilitation

Recommendation: *Arkansas Rehabilitation Services and the Division of Services for the Blind will look for opportunities to take advantage of evidence-based best practices, including utilization of work incentives counseling for SSDI and SSI beneficiaries, when providing services to achieve positive employment outcomes for persons with disabilities.*

Discussion: Use of work incentives counseling in conjunction with vocational rehabilitation has been found to increase the rate of employment, hours worked, wages, and duration of employment, as discussed earlier.

Another best practice is supported employment for individuals with psychiatric disabilities, using the individual placement and support (IPS) model developed at the Dartmouth IPS Supported Employment Center. This model has been extensively tested at many sites, and designated as an evidence-based practice by SAMHSA. It is now being implemented by State vocational rehabilitation and mental health agencies in more than a dozen States.

16. Measure effectiveness of employment service for individuals with disabilities

Recommendation: *Publicly-funded pre-employment, job training, and employment services for individuals with disabilities should be evaluated by their effectiveness in achieving competitive employment. Each State agency, and their provider agencies, should report annually:*

- *The number of persons receiving each employment service;*
- *Total cost of the service;*
- *Average cost per person served;*
- *Average cost per competitive job placement (total cost of the service divided by the number of successful placements in competitive employment); and*
- *Job retention after 12 months.*

Agencies should also report the numbers of persons transitioning from their pre-employment, job training or employment services into day treatment or sheltered employment.

17. Take advantage of SSA's Ticket to Work program

Recommendation: *Arkansas Rehabilitation Services, the Division of Services to the Blind and other agencies need to take advantage of Social Security's Ticket to Work program.*

- *The Ticket program pays for employment services, and gives beneficiaries a choice of providers.*

- *Active participation provides protection for disability beneficiaries from regularly-scheduled medical Continuing Disability Reviews (CDRs).*
- *The Ticket program can provide follow-along services after closure of VR cases.*
- *ARS and DSB would get more cost reimbursement from SSA if outcomes improve.*
- *Ticket providers are paid by SSA.*

Discussion: SSA reimburses State vocational rehabilitation (VR) agencies for the cost of VR services if they are successful in getting SSDI and SSI beneficiaries to work and earn over SGA (\$1,000/month in 2011) for 12 months. VR services often end a few months after an individual starts his/her new job, often leaving them without any support or follow-along services during most of the first year. Very few disability beneficiaries are successful in remaining employed and earning over SGA.

Some State VR agencies have developed strategies to improve their outcomes, and increase cost reimbursement. Strategies include:

- Offering bonuses to VR staff for each client who achieves the milestone of working for a year or more over SGA.
- Developing partnership agreements to refer clients to Ticket to Work providers to provide follow-along services when the VR case is closed.
- Some States even share a portion of the cost reimbursement funds with the TTW provider agencies.

ARS is implementing changes to increase referrals to TTW providers.

18. Develop procedures to expedite vocational rehabilitation services for disability beneficiaries

Recommendation: *Persons with disabilities who are beneficiaries of SSDI and SSI will be presumed eligible for vocational rehabilitation services if the individual communicates an interest in obtaining employment. The VR Counselor will review existing information first prior to referral for additional assessment as a means to expedite the process of determining specific rehabilitation services needed by the individual to achieve a successful employment outcome. Community Rehabilitation Providers that refer SSDI and SSI beneficiaries (with the individual's written permission) are requested to make available pertinent information to help avoid potential service delays. Should additional assessment be required, the assessment will be provided in a timely fashion and restricted to specific information needed by the VR Counselor to ascertain an individual's unique strengths, resources, priorities, concerns, abilities, capabilities, and interests and consistent with the informed choice of the individual.*

19. Strengthen provider certification for employment services

Recommendation: *Provider certification needs to be strengthened for providers of various employment services. APSE, a national organization with focused on integrated employment and career advancement opportunities for individuals with disabilities, is developing national certification for employment specialists. ARS could use this certification process to upgrade standards for provider staff.*

20. Develop strategies to transition individuals from sheltered employment to competitive, integrated employment

Recommendation:

ARS and DSB will work with Community Rehabilitation Providers (CRPs) to promote and encourage the employment of persons with disabilities in competitive, integrated employment settings. ARS and DSB recommend that CRPs determine after Assessment, Work Adjustment, and Extended Services an individual's readiness for competitive, integrated employment and will offer incentives to the CRP when such employment results.

Discussion: Community Rehabilitation Provider (CRP) is a vocational rehabilitation term referring to a community provider. In Arkansas, most CRPs operate sheltered workshops, so the term is sometimes used to refer to workshop operators.

Measuring Employment and Evaluating Employment Services

The Governor's Executive Order directs the Task Force to "identify baseline data for measuring employment of Arkansans with disabilities and create a mechanism for reporting such data to the Governor on an annual basis." The Task Force's data recommendations seek to accomplish this goal while working around limitations in data on disability and employment status, and differences in data collected by different agencies.

A Task Force work group was convened to develop a list of proposed data measures that could inform policymakers and State agency leadership about the state of employment for Arkansans with disabilities, as well as the effectiveness of services. Among the topics considered for measurement were: characteristics of clients served in the system; cost of providing services; employment outcomes; awareness and use of work incentives; access to services; effectiveness of outreach efforts; availability of work supports on the job; and employment rates by demographic characteristics such as location and disability type.

Later, a broad list of available data sources was compiled. The group considered what opportunities the data sets afford and what limitations they impose. Many data collection efforts that were proposed would require additional funding, implementation of surveys, or new data sets and were found to be not viable. A set of measures was developed that the group concluded were feasible and would improve the State's understanding of disability employment outcomes and services. The final data recommendations are listed below.

Strategy: Measure and report the employment rate of disability beneficiaries, and outcomes of efforts to increase employment

21. Determine the employment rate of Arkansas disability beneficiaries

Recommendation: *The Department of Workforce Services (DWS) will initially determine the rate of employment of individuals with Social Security disability benefits for the 2010 calendar year, including the number with earned income during the year, average earnings, and the number earning over Social Security's Substantial Gainful Activity (SGA) limit. The DWS will annually report to the Governor the employment rate of Arkansans with Social Security Disability Insurance (SSDI) benefits and/or Supplemental Security Income (SSI).*

Discussion

The patchwork of services for people with disabilities makes creating a unified system of data reporting challenging. In addition to the employment services funded through various state agencies, some people achieve employment outcomes with the help of non-employment services, such as ICFs for individuals with DD. Others receive assistance from services that are not funded by State agencies, such as Ticket to Work.

In the absence of a central database of information about Arkansans with disabilities, we turn to the best available sources. Extensive data on people on disability beneficiaries is available from the Social Security Administration. Furthermore, Arkansans receiving either SSI or SSDI represent a large portion of people with disabilities who receive some form of State services from VR, and often also receive entitlements such as Medicaid, temporary cash assistance for needy families, and SNAP (i.e., food stamps). Therefore, while they do not represent the entire population of Arkansans with disabilities, this group is suitable for studying and data on them are readily accessible.

DWS has access to both data on earnings through the Unemployment Insurance (UI) data file, and a list of Social Security disability and SSI disability beneficiaries through the Ticket to Work (TTW) data file. The UI data set contains information on all employees in Arkansas whose

earnings must be reported by law. The TTW data file contains Social Security data on people potentially eligible for participation in the Ticket-to-Work program, i.e., those who receive SSI and/or SSDI benefits.

Limitations of Unemployment Insurance and Ticket to Work data sets

Limitations	Notes
Quarterly UI data gives an incomplete picture of employment stability	Conclusions will be limited, because we will not know whether individuals drop in and out of work or are consistently employed.
Difficulty determining whether earnings are >SGA (Substantial Gainful Activity, or, the level at which Social Security benefits eventually cease)	Roughly, three times SGA (\$3,000) can be used to compare against quarterly earnings. This is the best approximation available, but is flawed because one cannot see how earnings change month-to-month.
Persons not in UI data files	Can describe who is excluded, but will not be able to determine how many there are.
Persons not in TTW data files	Persons with disabilities who do not receive Social Security benefits are not included, but are not our primary target, since they typically are not eligible for State services.

The Department of Workforce Services has agreed to conduct a combined query and analysis of the UI wage data file and the TTW data file to obtain a global measure of employment of people with disabilities. Despite its shortcomings, the combination of Unemployment Insurance data and Ticket to Work data is the best available source of data for obtaining a measure of disability employment as required by the Governor's Executive Order.

In addition to calculating a global disability employment rate and (if time and resources allow) average earnings for Arkansans on SSI and/or SSDI, it would be both possible and beneficial for DWS to use the combined data set to compute the following measures for specific subgroups that are of interest:

- Employment rates and average earnings for the two subgroups of recipients: SSI and SSDI;
- Employment rates and average earnings for subgroups of urban and rural areas; and
- Data on the percent of beneficiaries with earnings greater than \$3,000 in a quarter or semi-annual period (this amount approximates the level of Substantial Gainful Activity

at which beneficiaries begin the process of coming off their cash benefits and moving toward financial independence).

Finally, in addition to reporting on current SSI and SSDI beneficiaries, DWS should continue tracking people who drop off the TTW data files due to increased earnings over time, since policymakers and program administrators will likely be interested in how many people remain employed at a substantial earnings level and leave the disability rolls.

Sustainability of this data analysis is an important consideration that needs to be discussed among key players (e.g., the State and stakeholder's ongoing committee in cooperation with DWS) as part of the strategy for ongoing data collection and reporting. DWS should maintain a Memorandum of Understanding between Unemployment Insurance and Ticket to Work data managers.

Strategy: Evaluate employment services

22. Report data on use of employment services and outcomes

Recommendation:

To the extent possible, each agency or department that provides disability services should track the employment status and earnings of the individuals with disabilities who it serves. Further, State agencies, service providers, and partners are encouraged to share data regarding employment services, employment status of individuals with disabilities served, their wages, or qualitative data regarding barriers to employment, effectiveness of services, and job satisfaction. The interagency workgroup on employment of persons with disabilities should serve as a central collection point for the data.

Discussion: We recommend that agencies record the employment status (and earnings, if possible) of individuals with disabilities upon the initiation of services provided and for each State fiscal year thereafter as long as the client can be tracked. Ideally, detailed employment outcomes data would be collected on all consumers regardless of where they interact with services. Agencies could supply or analyze data on outcomes from any targeted initiatives or campaigns to increase disability employment, which would help in determining the effectiveness of such efforts. Data collection efforts initiated in the short-term would set the stage for future studies of employment patterns over the long-term and the effectiveness of interventions.

The more detailed the data collected, the more insights can be gleaned from it. For example, qualitative data on job satisfaction could inform our understanding of which services result in job placements for consumers that help them reach their goals and stay employed over time.

Arkansas Rehabilitation Services (ARS), for instance, measures clients' wages when their services end after a few months, but does not have data on their long-term employment and earnings. The Task Force encourages State agencies and service providers to enhance and expand data collection and analysis to promote better understanding of how their services are working with respect to Employment First goals and principles.

23. Measure referrals to work incentives counseling

Recommendation: *We recommend that each agency serving individuals with disabilities track the number of working-age individuals referred for work incentives counseling, and report the rate of referrals each year. Specifically, an unduplicated list of referrals (i.e., referral of each unique client should only be counted once) should be compiled by each agency at the end of the fiscal year, and the total count of referrals should be divided by the total unduplicated count of clients with disabilities served to obtain the rate of referrals.*

Discussion: To increase employment of disability beneficiaries, it is critical that agencies take steps to ensure that individuals who want to work are referred to Project AWIN (or a successor organization) for work incentives counseling. Research in other states has demonstrated that work incentives counseling increases the rate of employment and earnings. Currently, AWIN receives relatively few referrals from State agencies. Experience suggests that agencies need to measure desired activities, so staff will recognize that it is a priority and that their work is being monitored, and managers can make adjustments to improve results.

24. Implement procedures for measuring and reporting employment

Recommendation: *We recommend that each State agency serving people with disabilities develop procedures for collecting and reporting data on employment services and outcomes. Agencies need to review and revise forms and procedures to incorporate employment. They also need to begin reporting employment data to their stakeholders. This could be incorporated into annual reports, news releases, agency websites, staff meetings, newsletter articles, etc. Data should also be shared with other State agencies through the interagency work group.*

Discussion: To increase employment of Arkansans with disabilities, State agencies need to improve their outcomes. To improve, agencies need to measure outcomes, analyze the data, and share the data with their stakeholders.

25. Determine the number of State employees who identify themselves as having disabilities

Recommendation: *We recommend that the Department of Finance and Administration document disability status in the master data file of State employees and implement procedures*

to analyze at the end of each State fiscal year the percentage of full-time equivalent employees in each State agency that have identified themselves as having a disability.

Discussion: This recommendation arose from a discussion about the lack of tracking of State government employees with disabilities. In order to make employment of persons with disabilities a priority in State government, it would be advantageous to obtain data on how many are currently employed, and which agencies are performing well in that area. The Task Force was informed that this could be accomplished by adding an indicator of who has self-identified as having a disability in the State’s Master Data File. The percentage of employees that are self-reported people with disabilities could then be calculated for each agency or department. The limitation that many choose not to self-identify, however, should be noted.

State Employment

State government is the largest employer in Arkansas. The State employs thousands of employees in jobs that provide good benefits and pay competitive wages. These jobs range from entry-level positions to high-level professional opportunities. It is time for Arkansas to recognize the importance of increasing employment and work opportunities for individuals with disabilities within State government and to lead by example by becoming a “model employer.” Arkansans with disabilities represent 16 percent of the working-age population, and need to be well-represented in the State government workforce.

Many corporations have recognized that hiring individuals with disabilities is an opportunity to expand their pool of prospective applicants, and to better reflect and serve their customers. Similarly, State agencies should view removing barriers to employment as part of an overall strategy to hire and retain good employees, and to better serve their clients, including people with disabilities.

State agencies need to examine their recruitment, hiring, and other personnel policies to remove barriers to employment for qualified Arkansans with disabilities and create a welcoming environment for employees with disabilities. Proactive recruitment and outreach efforts are needed to inform the disability community of State positions for which applications are being accepted. State agency supervisors and Human Resources managers need to know who to contact for information on hiring and providing accommodations for individuals with disabilities.

The State Employment Work Group of the Arkansas Governor’s Employment First Task Force has the following recommendations to expand the recruitment, hiring, and retention of people with disabilities within State government agencies and enable Arkansas to move forward to being a model employer for residents with disabilities.

Strategy: simplify State employment for Arkansans with disabilities.

26. Revise minimum qualifications for State jobs and remove non-essential qualifications.

Recommendation: *Review all minimum qualifications for State jobs and alert Office of Personnel Management (OPM) to those that present an unreasonable barrier to application by otherwise qualified persons with disabilities.*

Discussion: The minimum qualifications for State government positions under both the Career Service Pay Plan and the Executive/Professional Pay Plan contain some unreasonable qualifications that preclude application by otherwise qualified persons with disabilities. Job descriptions should emphasize the essential functions of a job, and maximize the flexibility and opportunity for all applicants, including persons with disabilities. Volunteers from the Governor’s Commission on Persons with Disabilities conducted a review of all the minimum qualifications for State jobs and reported to OPM the positions that contained unreasonable barriers to qualified persons with disabilities applying for employment.

27. Establish an Employment First Clearinghouse

Recommendation: *Establish an “Employment First Clearinghouse” as a joint effort of Arkansas Rehabilitation Services and the DHS, Division of Services for the Blind, to:*

- *Serve as the official channel for determining whether an applicant/employee has a disabling condition(s) that constitutes a significant barrier to employment; and*
- *Serve as an information resource for public and private employers regarding Frequently Asked Questions (FAQ’s) related to Title I and Title II of ADA including maintenance of a directory of consultants qualified to recommend cost-effective methods of reasonable accommodations.*

Discussion: State agencies do not always know whether an employee has a disability, how to connect with qualified individuals with disabilities and how to accommodate them. Evaluation of disabilities is an established part of the mission of Arkansas Rehabilitation Services and Division of Services for the Blind. Both agencies can serve as certifying entities for identifying applicants and State employees who are “qualified individuals with a disability.” This will avoid duplicate costs to the State and support the outreach goals for each agency.

The Clearinghouse will be a resource for State agencies. It will provide State agency personnel and hiring managers with information on hiring and retention of individuals with disabilities, dispel myths, and disability awareness and etiquette training.

The Clearinghouse will be an information resource to improve access to reasonable accommodations required by Title I and Title II of the Americans with Disabilities Act (ADA). For people with disabilities accommodations may include reasonable physical, environmental, or technical changes that allow someone to apply for, get access to, or perform a job. Accommodations may also include a need to change some workplace or personnel policies and practices. In most cases accommodations cost less than \$500. The most common accommodation is a flexible schedule, the same accommodation that employers make for employees without a disability.

28. Publish top turnover positions to the Clearinghouse

Recommendation: *Identify the top-turnover classifications in State government and survey the affected hiring supervisors regarding alternative means of performance of essential job functions by persons with disabilities. Publish the non-identified results to the Clearinghouse.*

Discussion: State government has some high turnover positions in which the identified essential/non-essential job functions limit qualified applicants with disabilities. Individuals with disabilities would qualify for these positions using alternative means of performance of essential job functions. Job descriptions should be reviewed and rewritten to emphasize the essential functions of a job, maximizing the flexibility and opportunity for all applicants, including individuals with disabilities. Sixteen percent of working age Arkansans report having a disability. This is a large pool of applicants that should be tapped to fill high turnover positions. Individuals with disabilities have shown that they have a high employment retention rate. They have higher than average attendance and job performance.

29. Train State agency supervisors

Recommendation: *Develop mandatory EO 10-17 supervisory training curricula to expand training on the ADA and its amendments, and demonstrate how supervisors may access Clearinghouse information for recruiting, hiring, and maintaining qualified employees with disabilities.*

Discussion: State agency supervisors and personnel officials need to have full knowledge of Americans with Disabilities Act (ADA) and its amendments in order to recruit, employ, and accommodate employees with disabilities. This training would include such topics as ADA employment requirements, reasonable accommodation policies, and disability awareness and

etiquette. The training will also cover basic work incentives information that enables individuals with disabilities to work and keep their disability benefits, especially health care coverage.

State Agency Collaboration and Coordination

Increasing employment of individuals with disabilities has been difficult for both the federal government and for States, in part because of the complex array of agencies, programs, and rules. There is an on-going need for collaboration and sharing of information between agencies which serve individuals with disabilities.

30. Continue interagency collaboration

Recommendation: *A permanent interagency work group is needed to promote collaboration on issues and sharing of information related to disability employment. This group will include representatives of State agencies, provider groups, advocacy groups, and the Social Security Administration. The group will meet at least quarterly, and will designate committees to address these tasks:*

- *Develop and coordinate training on disability employment and work incentives for State agency staff and providers.*
- *Coordinate outreach about employment to Arkansans with disabilities.*
- *Develop strategies to improve outcomes for youth with disabilities transitioning from school to work.*
- *Prepare an annual report with data on employment of Arkansans with disabilities, and progress on strategies recommended in this report.*
- *Promote employment practices that encourage a diverse State workforce, including individuals with disabilities.*

31. Explore strategies for sustaining the EmployAbility Project

Recommendation: *Explore strategies to sustain the EmployAbility Project after its federal funding ends in 2012. The project provides policy analysis, training, outreach, and facilitates interagency collaboration to improve employment outcomes for people with disabilities.*

Conclusion

The changes proposed by the Task Force will help increase employment of disability beneficiaries, especially part-time employment to supplement disability benefits. Even increasing the rate of part-time employment is a worthwhile goal, because it helps to lift people out of poverty and helps to change the disability culture.

Increased employment has some potential to reduce State spending on people with disabilities in the long run:

- SSI beneficiaries who work can gain entitlement to SSDI and Medicare by working, which can shift a larger portion of their health care costs from the State to the federal government.
- There is evidence that individuals who work have reduced use of both residential and day treatment services over time.
- Research also shows that individuals with psychiatric disabilities who work have reduced use of mental health services over a ten-year period, including fewer inpatient admissions.

Implementation of health care reform will help reduce new enrollment in SSDI, by enabling individuals with chronic conditions to get affordable health insurance coverage and continue working. It will also reduce the fears of current disability beneficiaries about losing health care coverage if they return to full-time employment and give-up cash benefits.

However, it will be difficult to get significant numbers of beneficiaries to give up cash benefits for full-time employment without major federal reform of the Social Security Disability Insurance (SSDI) program, whose rules encourage part-time employment over full-time. Congress also needs to provide permanent funding for the Work Incentives Planning and Assistance (work incentives counseling), which is vital to increasing employment.

Appendix 1: State Agency Plans

Arkansas Rehabilitation Services (ARS) **Plan to support Employment 1st Task Force Recommendations**

Benefits Counseling

ARS will provide training to all VR Counselors regarding the advantages of referring consumers who are SSI or SSDI beneficiaries for benefits counseling.

ARS will develop and incorporate a standard procedure to refer consumers who are SSI or SSDI beneficiaries to AWIN for benefits counseling.

ARS will work with AWIN to establish a consistent point of contact when referring consumers who are SSI or SSDI beneficiaries in need of benefits counseling.

Employment Networks (ENs)

ARS will work with ENs to achieve a definitive understanding of appropriate policies and procedures regarding the role of ARS and ENs as it relates to the SS Ticket to Work program.

Transition

ARS will work with the AR Department of Education, Special Education section to craft a new interagency agreement to support school to work transition that more clearly defines each agency's responsibilities.

ARS will begin the process of developing agreements with local school districts regarding the provision of transition services.

Supported Employment

ARS will work with the Department of Human Services divisions of Developmental Disabilities Services and Behavioral Health to craft interagency agreements that promote supported employment.

ARS will attempt to achieve statewide coverage for supported employment services by working with existing supported employment vendors and developing new supported employment vendor relationships.

ARS will establish a point of contact or liaison in each field all for supported employment vendors.

ARS has restructured and will continue to evaluate its fee structure to promote the provision of supported employment services.

ARS will assess and certify all supported employment vendors. The Program, Planning, Development, and Evaluation (PPD&E) section of ARS will be responsible for these functions.

ARS will consider the need for a fulltime supported employment coordinator.

Job Retention

ARS will continue to support its Retaining a Valued Employee (RAVE) program to assist State employees that experience disability that results in an impediment to employment in remaining at work.

The RAVE program will act as a resource to State agencies when working with employees that experience disability and require job accommodation because of the disability.

Arkansas Spinal Cord Commission

Employment First Plan

2012

Mission

The Arkansas Spinal Cord Commission administers a statewide service program to identify and meet the unique and lifelong needs of people with spinal cord disabilities in Arkansas.

Description

The Arkansas Spinal Cord Commission provides a variety of services to individuals with spinal cord disabilities (i.e. spinal cord injury, spina bifida, multiple sclerosis and degenerative spine diseases) and their families throughout the State of Arkansas. Fifteen Case Managers in 10 field offices, provide services to citizens in all 75 counties. The Commission staff work in concert with State and federal agencies, medical and home health services, rehabilitation and educational institutions and community agencies to assist these individuals in accessing the services that they need. These may include personal care assistance, durable medical equipment, referral and access to specialized health care services and technical assistance to modify homes and provide ramping. The Case Manager is also there for those individuals living in the community who need information, advocacy, referral and assistance with obtaining treatment or equipment. This community based intervention prevents costly stays in hospitals and institutions for these otherwise independent individuals. The Arkansas Spinal Cord Disability Registry maintains demographic and medical information on individuals with spinal cord disabilities in the State. Finally, the Commission provides education and resources about life with spinal cord disabilities through our website, resource libraries, quarterly newsletter, conferences and workshops and printed materials.

It is the goal of the Arkansas Spinal Cord Commission to ensure that all persons with spinal cord disabilities in our State are provided every opportunity to live as independently and productively as possible. While the Commission does not have a vocational mandate, we assist clients with accessing information and services to assist them in return to or starting work.

BARRIER: Lack of staff knowledge about disability work incentives discourages consumers from receiving appropriate counseling and information regarding return to work and incentives.

Strategies	Action Steps	Success measures	Responsible	Due Date
All Case Management Staff will receive basic training on SSA and other work incentives	1) Collaborate with AWIN / SOURCES to schedule and conduct annual staff training on Work Incentives at ASCC Case Managers Training Meeting	100% complete training	Cheryl Vines	12/31/12
	2) Include work incentive training in new Case Manager Orientation Plan	100% complete orientation	Patti Rogers	1/1/12
	3) Case Managers will identify and contact local/regional AWIN Benefits Counselor and schedule appointment to meet and share contact information.	Task complete	Patti Rogers, Case Managers	6/30/12
	4) Employment First resource packet including brochures, statistical information, AWIN information, Employment DVDs and other resources will be compiled and placed in each ASCC field office	Task complete	Cheryl Vines	9/30/12
All Case Management Staff Will Include Employment as an element of client plan and interactions	1) Review initial assessment guidelines and revise to document employment history and interest.	Task complete	Patti Rogers, Case Managers Task Force	6/30/12
	2) Develop procedures to discuss employment with all youth and adult clients.	Task complete	Patti Rogers Case Managers Task Force	6/30/12
	3) Revise Client Annual Review Form to include discussion of employment with clients 14 to 64 living in the community annually and document on form.	Task completed	Patti Rogers, Case Managers Task Force	6/30/12

	4) Develop form and procedure for referrals to AWIN	Task complete	Patti Rogers, Case Managers Task Force	6/30/12
	5) Use file review to verify compliance by case managers	20% of files reviewed quarterly	Patti Rogers	12/31/12
Barrier: Clients and families see disabilities not abilities and work disincentives not incentives and discount work as a viable life option				
Strategy	Action Steps	Success Measure	Responsible	Due Date
Identify clients who work & maintain benefits and use their success stories to promote employment as an option	1) Success stories on agency website and in Spinal Courier Newsletter	New story each quarter on website and newsletter	Jason Francis and Newsletter/Website Committee	First story 1/21/11
Provide resources and information about work incentives to clients and families	2) Identify and place links to work related resources on ASCC website	Task complete	Jason Francis	Start by 1/1/12
	3) Include one article on work incentives in Spinal Courier Newsletter each year	Task Complete	Jason Francis and Newsletter/Website Committee	12/31/11
	4) Include a session about work incentives, opportunities and successes at each ASCC educational event	Task complete	Cheryl Vines Conference Planning Committee	12/1/12
	5) Include a work success/work incentives speaker at least once per year at each ASCC support group	Task complete	Case Manager Support Group Coordinators	12/1/12
	6) Disseminate work incentive materials through Case Managers and online resources	200 items disseminated	Case Managers	12/31/12

Department of Workforce Services

To assist the Arkansas Department of Workforce Services to accomplish the goals set by the Governor in Executive Order 10-17

GOAL 1: ADWS will demonstrate a strong commitment to making the agency a welcoming place for people with disabilities where they can thrive and make the most of their talents and abilities				
Strategies	Action Steps	Success Measures	Responsibility	Due Date
ADWS will develop a specific plan for promoting employment opportunities for people with disabilities	ADWS will conduct mandatory training for all staff, beginning with senior leadership, hiring managers and HR staffing and employee relations specialists on the agency's plan to promote employment opportunities for people with disabilities.	100% complete training		
	The agency will develop procedures for providing reasonable accommodation to job applicants and employees with disabilities.	Task is completed		
	Review and update employment information and recruitment materials to ensure accessibility for people with disabilities.	Task is completed		
	Ensure information posted on the agency's Internet and Intranet sites is reviewed for compliance and screen-reader compatibility. Information should also be made available in alternate formats such as large print, Braille, and CD, as funding becomes available.	Task is completed		
Help customers identify and develop their abilities, including marketing job skills.	Develop procedure to identify job skills through the assessment process and case management.	Task is completed		
	Develop program to enable customers to enhance their job skills by volunteering, internships, and other employment experiences.	Annual increase in number of participants over baseline		
	The agency will develop tools to identify qualified applicants with disabilities for open positions.	Task is completed		

GOAL 2: ADWS Will Re-evaluate its Hiring Process				
Strategies	Action Steps	Success Measures	Responsibility	Due Date
When conducting a job analysis, ADWS will include a review of the agency's eligibility criteria and any agency-specific qualification standards for positions.	AWDS will review job requirement to ensure that announcements are drafted in clear concise language.	Task is completed		
	Every job announcement will reflect the agency's intent to make reasonable accommodations for qualified job applicants and employees with disabilities.	Percent who discuss employment Number stating interest in employment		
	ADWS will identify and revise criteria and standards that might be restrictive and potentially exclude people with disabilities.	Task is completed		
	Job announcements will state that the agency is an equal opportunity employer and will encourage candidates with disabilities to apply.	Task is completed		

GOAL 3: ADWS will Identify Qualified People with Disabilities through Existing Resources				
Strategies	Action Steps	Success Measures	Responsibility	Due Date
ADWS will seek collaborative recruiting relationships with community and other governmental groups to improve outreach.	AWDS will organize a disability recruitment task force made up of individuals from partnering agencies and human resources staff, EEO staff, current employees with disabilities, the Targeted Populations Advisor, and other managers who have hired people with disabilities.	Improved communications and referrals with partners at One-Stops		
	Use file review to verify compliance by case managers.	Twenty-five percent of files reviewed quarterly		
Partner with Arkansas' Rehabilitation Services (ARS) agencies and other State disability service agencies (e.g. Division of Services to the Blind-DSB) to recruit potential applicants with disabilities.	Collaboration with other agencies to develop working plan(s).	Task is completed		
	Develop form and procedure for referrals.	Task is completed		
	Require regular reporting of referrals.	Number of referrals increase over baseline in first year		
	Develop Memorandum of Agreements.	Task is completed		
ADWS will develop an electronic mailing list of disability advocacy groups in the local geographic area.	ADWS will explore the possibility of utilizing social media such as Face Book and Twitter.	Task is completed		
	ADWS will post notices of job openings and include basic instructions on how to apply for an open position to websites.	Task is completed		

GOAL 4 : ADWS will focus on Student Programs as a means of recruiting persons with disabilities				
Strategies	Action Steps	Success Measures	Responsibility	Due Date
ADWS will seek collaborative efforts with federal Workforce Recruitment Program for College Students with Disabilities (WRP) as a source of candidates.	Target professional organizations and publications directed to student with disabilities.	Task is completed		
	Improve outreach efforts through campus visits and partnerships both with the career placement offices and the campus organizations and other networks providing services to students with disabilities.	Task is completed		
	Use student internship programs (currently the Student Temporary Employment Program (STEP) and the Student Career Experience Program (SCEP)) to offer employment opportunities to students with disabilities.	Task is completed		
	Identify and participate in special college and university recruiting initiatives and other events.	Task is completed		

GOAL 5: ADWS will become a Model Employer of People with Disabilities				
Strategies	Action Steps	Success Measures	Responsibility	Due Date
Strive to make every aspect of the ADWS employment experience accessible to people with disabilities. This includes facilities, programs, technology, websites, and the benefits and privileges of employment.	Ensure employees with disabilities are provided training opportunities at the beginning and throughout their careers and provide reasonable accommodations in a timely manner to ensure all training programs are accessible.	Task is completed		

GOAL 6: ADWS will aid in identifying baseline data for measuring employment of Arkansans with disabilities				
Strategies	Action Steps	Success Measures	Responsibility	Due Date
ADWS will help determine the rate of employment of individuals with Social Security disability benefits, including the number with earned income during the year, average earnings, and the number earning over Social Security's Substantial Gainful Activity (SGA) limit.	Conduct a query and analysis of two data sets: the unemployment data file and the Ticket to Work data file.	Annual report sent to Governor's office		
ADWS will annually report the percentage of working-age adult customers with disabilities referred for work incentives counseling.	An unduplicated list of referrals (i.e., referral of each unique client should only be counted once) should be compiled annually, and the total count of referrals should be divided by the total unduplicated count of clients with disabilities served to obtain the rate of referrals.	Annual report send to Governor's office		
	Policies and procedures will change at the agency level as deemed necessary to facilitate the referral to work incentives counseling.	Annual report send to Governor's office		

DHS Division of Aging and Adult Services

Employment First Plan

October, 2011

Employment First Goals and Action Steps

Goal: DAAS staff know that individuals with disabilities have the option of working if they're able, and that work incentives and services are available to support that option. Staff are comfortable discussing the basics of employment with interested clients.

- Develop online training module(s) on disability employment
 - Include success stories, testimonials
 - Provide sample talking points and FAQs
- Develop procedure to ensure periodic re-training, and training for new hires
 - Talking points, FAQs
 - Use examples and testimonials for training – more memorable than facts
 - Success stories and testimonials on video

Goal: Working-age individuals served by DAAS are aware of employment options and services, and know who to call for assistance.

- Outreach and Marketing
 - Collaborate with other State agencies on the *Work With Me* outreach and education campaign
 - Prepare a brochure with basic employment information for individuals with disabilities, to be included in packets given to consumers
 - Publicize the employment successes of individuals who use DAAS HCBS services
 - Update the EmployAbility Project web pages and add links from other pages
- ARPath universal assessment – currently under development, to be implemented in 2012
 - Employment supplement will be triggered by current employment or interest in employment
 - Employment goals will trigger service planning by case managers, and provide information to make appropriate referrals for services

- Money Follows the Person
 - Incorporate employment into transition planning for residents
 - Provide information to transition coordinators and case managers about employment services
- Incorporate employment into Targeted Case Management (TCM) services for waiver participants
 - Include employment into expectations for case management
 - Case managers will administer Employment supplement in ARPath, then make referrals to appropriate services, such as work incentives counseling and supported employment
- Provide information and assistance to individuals who want to work
 - Explore funding options for continuing Employment Sources Hotline, currently funded by federal grant
 - Develop guidelines for ADRC staff to refer individuals who express interest in employment

Goal: Individuals with severe physical disabilities can access services needed to achieve competitive employment in their communities.

- Complete implementation of changes to allow AAPD waiver participants to earn a living and remain eligible for waiver services
 - Waiver has been amended to allow working SSI beneficiaries (1619b) to use waiver services; implementation by DCO is pending
- Add supported employment as a waiver service (it's included in the draft *ARChoices in Home Care* waiver)

Division of Services for the Blind

Plan to Support “Employment First” Task Force Recommendations

Goal 1: Awareness by Division of Services for the Blind (DSB) Vocational Rehabilitation (VR) consumers about employment as a priority for their improved quality of life and Vocational Rehabilitation Program outcome.

- DSB will require counselors to implement effective Individual Plan for Employment processes, such as *early, thorough, and ongoing* Assessment, Plan Development, Local Labor Market information, and reality-testing activities in local communities.
- DSB will train counselors in the above processes during Quarterly Meetings and provide “best practices” models.
- DSB supervisors will monitor follow-through of effective practices throughout the year.
- DSB will implement a web-based data management system to improve staff efficiency.

Goal 2: Increasing statewide awareness of Executive Order 10-17 concerning employment of people with disabilities in State government positions.

- DSB will implement subcommittee recommendations of Governor Beebe’s 2011 task force to promote hiring people with disabilities.
- DSB Staff will continue to offer expertise in the areas of technology evaluation and employment for individuals with disabilities and consumer organizations.
- DSB will continue to publicize consumer success stories, including tools and preparation processes used by people with disabilities to be effective performers in competitive workplaces.

Goal 3: Referral to Benefits Counseling by Arkansas Work Incentives Network (AWIN/Sources) staff and to Employment Services (Work Centers—WIAs) for ongoing consumer education on Work Incentives for Supplemental Security Income/Social Security Disability Income/Medicare/Medicaid recipients.

- DSB Administrative Staff will be required to partner with Sources/AWIN for active and ongoing joint efforts to educate and facilitate mentoring relationships.

- DSB Administrative and Supervisory Staff will develop educational materials for rehab counselors to use to appeal to a diverse consumer audience and family members, and require standard procedures to document referral of consumers.
- DSB rehab counselors will be required to implement 4 Counseling and Guidance sessions per year with DSB consumers using AWIN and Workforce Services, including accessible computer kiosks, as suitable.
- DSB consumers and rehab counselors will be required to document and sign evidence of involvement in collaborative activities promoting competitive employment outcomes.

Goal 4: DSB will provide and fund Supported Employment (SE) services.

- DSB will obtain Technical Assistance from the Rehabilitation Services Administration (RSA) Technical Assistance & Continuing Education Center to identify strategies to collaborate with Supported Employment vendors.
- DSB Staff will make milestone payment-contracts with experienced SE providers.
- DSB will partner with Association for Providers of Supported Employment (APSE), Developmental Disabilities Provider Association (DDPA), the Arkansas Employability Project, a Medicaid Infrastructure Grant, Partners for Inclusive Communities, and Department of Special Education to build a network of employers who hire individuals with disabilities, to align Supported Employment outcomes with labor market demands, and to collaborate with local school-to-work programs.

Division of Behavioral Health Services

Employment First Plan

The following activities are planned for 2012:

- Continue developing the 1915(i) proposal, including supported employment. DBHS and DMS are currently developing a Medicaid State Plan amendment to provide recovery-oriented mental health services to individuals with serious mental illnesses, to supplement the current RSPMI services. Supported employment is one of the planned services.
- Issue policy on employment, affirming the agency's support for employment as part of recovery
- Release guidance on RSPMI and employment, in conjunction with DMS
- Meet with Arkansas Rehabilitation Services to develop an interagency agreement to promote use of supported employment by individuals with psychiatric disabilities.
- Arrange basic training on disability work incentives for staff who work directly with clients, such as the 9-11 program. Training could be provided by the EmployAbility Project, and may be available online in the future.
- Distribute employment outreach and education materials prepared by the EmployAbility Project to providers.

The Division of Developmental Disabilities Services (DDS)

Employment First Plan

ACTION STEP	DATE TO INITIATE	CONSTRAINTS	PERSON RESPONSIBLE	Target date	Strategies for implementation
Providers will address employment as an outcome on DDS Waiver adult consumers' Person Centered Plans. Plans will reflect goals and objectives that lead to customized employment.	At first annual review post plan approval		All DDS Waiver providers		DDS will revise standards to include program review for inclusion of employment objectives on plans of care.
Interdisciplinary Teams will review and update Individual Employment Outcomes annually and note progress toward outcomes	At first annual review post plan approval		DDS Community Providers		Awareness campaign
Interdisciplinary Teams will monitor Employment Outcomes annually and gather data	Within one year post plan approval		DDS Quality Assurance		DDS will monitor providers' activities to support individuals in achieving employment through use of onsite review process and the National Core Indicators Consumer survey. <i>(Baseline data from 2009-10 NCI reflects 86.1% of consumers surveyed have integrated employment as goal in service plan.)</i>
	Within six months post				

Providers will train Case Managers on employment options and work incentives	plan approval		DDS Waiver Providers; DDS Quality Assurance, AWIN		DDS will revise standards to include training for case managers on employment options and work incentives. <i>(Employability Project Survey of DD Providers reflected that 59.2% were not confident of their knowledge about work incentives.)</i>
DDS will designate staff to serve as technical resource to consumers seeking employment	Within six months post plan approval		DDS Quality Assurance		DDS will make training available to all DDS QA staff on employment options and work incentives. DDS will appoint minimum of two staff to serve as technical resource.
DDS will implement process of referral for consumers and/or families needing employment benefit counseling through partnership with Arkansas Work Incentive Network (AWIN)	Within six months post plan approval		AWIN, DDS Quality Assurance		
Stakeholders will explore options to stabilize funding rates between Arkansas Rehabilitation Services (ARS) and DDS ACS Waiver	Within six months post plan approval		ARS, Community Providers, ASPE, DDS ACS Waiver		DDS will develop workgroup to review current cooperative agreements and funding methodology for changes and enhancements as needed. Workgroup will make recommendations to agency.
DDS will facilitate standardization of	Within six months post plan approval	May require	DDS Quality		DDS will partner with AR-ASPE,

training and licensing requirements of Supported Employment Vendors between Arkansas Rehabilitation Service (ARS) vendors and DDS Alternative Community Services (ACS) Waiver providers of supported employment	and biannually thereafter	funding for training if Supported Employment Professional Certification is adopted as minimum training requirement	Assurance		ARS and Arkansas Workforce Centers to develop training resources for providers
DDS will review and revise all Cooperative Agreements with appropriate agencies to assure Employment First initiatives are included in agreements to promote employment as a first option and to maximize flexibility and utilization of available funding	Within six months post plan approval and biannually thereafter		DDS Quality Assurance		DDS will develop workgroup to review current cooperative agreements to make recommendations to agencies as appropriate.
DDS, ARS and DOE will develop and/or revise Cooperative Agreement to strengthen interagency transition activities beginning at age 16 to include employment as an outcome for all transitioning youth	Within six months post plan approval		DDS, ARS, DOE		
DDS will work with local school districts within defined DD service area serving students 16 years of older to distribute information regarding DDS and Employment	Within six months post plan approval and annually		DDS Quality Assurance, Employability Project-Work With		

First initiatives through local Parent Centers	thereafter		Me Campaign		
DDS will participate in statewide media campaign to promote Employment First through partnership with partners in employment initiatives			DDS, Work with Me campaign-Employability Project, AR-ASPE		

Appendix 2

Work Incentives and Other Employment Provisions

Social Security Disability Insurance (SSDI)	
Trial Work Period (TWP)	Permits SSDI beneficiaries to test their ability to work. Beneficiaries can earn any amount for up to nine months without affecting their SSDI benefits.
Extended Period of Eligibility (EPE)	Allows SSDI beneficiaries to earn any amount over a consecutive 36-month period following the completion of the TWP without jeopardizing eligibility for benefits. During the EPE, benefits are not paid for months when countable earnings reach the SGA level, but benefits are paid in any month when earnings are below the SGA level (\$1,000/month in 2011).
Continuation of Medicare Coverage	Allows SSDI beneficiaries who leave the rolls due to work to remain eligible for Medicare for at least 93 months after completing the TWP.
Supplemental Security Income (SSI)	
Earned Income Exclusion	SSA does not count the first \$65 of monthly earnings and one-half of remaining earnings when calculating the SSI payment amount. SSI cash benefits are gradually reduced as earned income increases.
Blind Work Expenses	Work-related expenses of individuals who are blind or visually impaired are deducted from earnings in computing the SSI benefit.
Section 1619(a)	SSI beneficiaries can earn over SGA (\$1,000/month in 2011) and continue to receive reduced cash benefits and Medicaid, if countable income is below the SSI break-even point (income level where benefits are reduced to zero).
Section 1619(b)	Provides continued Medicaid coverage and SSI eligibility, but no monthly payments, to beneficiaries whose income exceeds the SSI break-even point but is less than the State's 1619(b) threshold amount (\$28,730/year in 2011 for Arkansas).
Plan for Achieving Self-Support (PASS)	Allows a beneficiary to temporarily set aside income and/or savings for work-related expenses such as education, vocational training, a vehicle, tools, or starting a business. Funds for PASS expenses are not counted in determining SSI eligibility and benefits.
Student Earned Income Exclusion	Allows a student under age 22 who attends school regularly to exclude up to \$1,640 of earned income per month (up to a maximum of \$6,600 per year) in computing the SSI benefit.
Property Essential for Self-Support	Excludes resources (such as tools, equipment, or business inventory or property) essential to self-support when determining ongoing eligibility for SSI.
Applicable to Both SSDI and SSI	
Ticket to Work (TTW)	Allows beneficiaries to obtain employment, vocational rehabilitation, and other support services from participating providers. Providers are reimbursed by SSA based on a beneficiary's employment outcomes.
Expedited Reinstatement	SSA can restart benefits, without a new disability application, for

	individuals whose benefits were stopped within the last 5 years due to work over SGA. Must continue to have a medical impairment, and be unable to continue working over SGA due to medical condition.
Impairment-Related Work Expenses (IRWE)	When calculating benefits and on-going eligibility, SSA can deduct from earned income the cost of certain impairment-related items or services needed for work.
Arkansas Medicaid	
SSI Medicaid	In Arkansas, SSI beneficiaries are automatically eligible for Medicaid. Eligibility is determined by SSA, using SSI work incentives -- earned income exclusion, 1619a, and 1619b, so individuals can work part-time or full-time.
Non-SSI Medicaid categories for individuals with disabilities: Pickle; Disabled Widows/Widowers; Disabled Adult Children; Medically Needy Spend Down; QMB, SMB, and QI	These categories use the SSI earned income exclusion (subtract \$65 and divide by 2 to determine countable income)
Arkansas Working Disabled	Allows individuals with disabilities, including former SSDI and SSI beneficiaries, to work, earn a living, and qualify for full Medicaid coverage. Must meet SSA disability criteria. Unearned income such as SSDI benefits cannot exceed the SSI income limit. Total countable income cannot exceed 250% of the Federal Poverty Level. SSI earned income exclusion is used to determine countable income.
Medicaid Long-Term Care: includes nursing homes, ICF-MRs, and waivers	Employment provisions vary between LTC categories. In general, individuals can work and earn under SGA as long as total income does not exceed the LTC income limit (300% of the SSI benefit, or \$2,022/month in 2011). Waiver participants who qualify and enroll in Working Disabled can work full-time, and continue to use AAPD or ACS waiver services. ICF-MR residents can work and keep earned income up to the SSI income limit (\$674/month in 2011). However, nursing home residents who work may only keep up to \$100/month, in addition to their \$40/month personal needs allowance.
Housing	
Earned Income Disregard	For residents with public housing assistance, allows beneficiaries to exclude a portion of their income in computing their eligibility for housing subsidies or assistance. Earned income is disregarded at 100% for the first year of employment, and 50% for the second year.
Nutrition	
SNAP – Supplemental Nutrition Assistance Program (formerly Food Stamps)	SNAP benefits gradually decline as earnings increase. Funds set aside for work expenses as part of a PASS plan can be excluded from income in determining SNAP eligibility and benefit level.

Appendix 3

Glossary

AAPD waiver – Alternatives for Adults with Physical Disabilities waiver provides home and community-based services to adults with physical disabilities.

ACS waiver – Alternative Community Service waiver provides services and supports to allow people with disabilities to live in the community.

ADA – Americans with Disabilities Act

ADHD – Attention deficit hyperactivity disorder

APSE -- Membership organization formed in 1988 as the Association for Persons in Supported Employment to improve and expand integrated employment opportunities, services, and outcomes for persons experiencing disabilities.

ARS – Arkansas Rehabilitation Services, the State agency which administers vocational rehabilitation services, except VR for individuals who are blind and visually impaired

AWIN – Arkansas Work Incentives Network. AWIN is the federally-funded WIPA program in Arkansas, providing work incentives counseling for SSDI and SSI beneficiaries.

CMHC – community mental health center

CMS – Centers for Medicare and Medicaid Services, the federal agency which administers the Medicare and Medicaid programs.

DAAS – Division of Aging and Adult Services, the division of Arkansas DHS which administers aging services and Medicaid home and community-based services for aged individuals and individuals with physical disabilities

DBHS – Division of Behavioral Health Services, the division of Arkansas DHS which administers the public mental health system – State Hospital and community mental health centers

DDS – Division of Developmental Disabilities Services, the division of Arkansas DHS which administers services for individuals with intellectual and developmental disabilities, including a Medicaid home and community-based services waiver

DHS – Department of Human Services

DMS – Division of Medical Services, the division of Arkansas DHS which administers Medicaid services and payments to providers

DSB – Division of Services for the Blind, the division of Arkansas DHS which administers services for the blind and visually impaired, including VR services

DWS -- Department of Workforce Services

EBP – Evidenced based practice

HDC – Human development center

HUD – Housing and Urban Development

ICAN – Increasing Capabilities Access Network, Arkansas’ statewide assistive technology program

ICF – Intermediate care facility, a 24-hour facility that typically provides care for people with intellectual or developmental disabilities

ID/DD – Intellectual and/or developmental disabilities

IPS – Individual Placement and Support, a model for supported employment

OPM – Office of Personnel Management

PASS plan – Plan to Achieve Self-Support, an SSI provision to help individuals with disabilities return to work

RSPMI – Rehabilitation Services for Persons with Mental Illnesses, a Medicaid service that covers various treatments for mental illnesses, including talk therapy and day treatment centers.

SAMHSA – The Substance Abuse and Mental Health Services Administration

SGA – Substantial Gainful Activity

Sheltered employment – programs that provide employment for severely disabled in segregated settings. Workers are typically paid a piece rate, which may be less than minimum wage.

SSA – Social Security Administration

SSDI – Social Security Disability Insurance, available to people with disabilities who have worked long enough and paid Social Security taxes.

SSI – Supplemental Security Income, available based on financial need

SNAP – Supplemental Nutrition Assistance Program, formerly known as food stamps.

Supported Employment – a service which helps individuals with severe disabilities obtain and retain competitive employment (minimum wage or higher) in non-segregated settings

TEFRA – The Tax Equity and Fiscal Responsibility Act allows States to extend Medicaid coverage to certain disabled children.

TTW – Ticket to Work

UI – Unemployment Insurance

VR – Vocational Rehabilitation

Waivers – Medicaid waivers are programs which “waive” the normal federal Medicaid rules. Arkansas has several waiver programs which provide home and community-based services for elderly and disabled individuals who might otherwise need to live in an institution.